

Port & Mail

VOL XIX.—NO. 284

MONDAY EVENING, DECEMBER 1, 1879.

PRICE TWO CENTS.

Second Edition. 4 O'CLOCK.

WASHINGTON.

Assembling at Noon To-Day of Both Houses of Congress.

Presidential Nominations --- The Public Debt Statement.

SENATE.

Washington, Dec. 1.—The senate met at 10 o'clock, and prayer was offered by the chaplain. Messrs. Anthony and Bayard were appointed a committee to wait upon the president and inform him that both houses of congress were ready to receive any communication he might desire to make. Pending the report of the committee business was suspended and later a short recess was taken.

When the senate reconvened a message was received from the house announcing that it was in session and that it had appointed a committee to wait upon the president.

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HOT HIBERNIANS.

All Ireland is Aroused in Regard to the Land Question.

What Was Done Sunday by Irishmen Everywhere.

AT CHICAGO.

A big meeting of Irish sympathizers will be held to-night at McCormick Hall. The list of speakers includes Gov. Cullom, Lieut. Gov. Shuman, Leonard Sweet, Melville W. Fuller, Senator Logan (probably), William J. Hynes, Judge Morgan, Judge Moore, Martin Beem and other well known citizens. The chances are that several addresses will have to be made in open air, and the meeting promises to be one of gigantic proportions.

The meeting at Hyde Park, London, was very orderly. 5,000 persons were present.

The home rule sympathizers held a meeting at Glasgow Sunday, and passed resolutions condemning the action of the government.

JAMES DALRY.

Agitation and sympathy meetings were held all over the county of Mayo, Ireland, Sunday. The principal one was at Ballaghaderreen, at which James Dalry was present. He was received on his arrival and escorted to the stand by some hundreds of men armed with pikes. Several Catholic clergymen were present.

Daley was enthusiastically greeted. Three government reporters were present taking notes. The gathering numbered about 10,000 persons. In the course of his speech, Daley said he did not advise non-payment of rents, but non-payment of exorbitant ones. Resolutions were passed, all condemning the actions of the government.

MICHAEL DAVITT.

On Monday, addressed a crowded meeting at Newcastle, upon Tyne. He spoke very temperately.

THE VATICAN.

A Rome dispatch states that it is untrue that the Vatican has written the bishops asking their interposition to quiet the agitation, but says the archbishop of Dublin, having informed the pope of the late disturbances, the Vatican replied by advising prudence on the part of the clergy and people of Ireland.

FOREIGN FLASHES.

At St. Petersburg, Saturday, one nihilist was sentenced to death and another to thirty years in the Siberia mines, for complicity in the attempted assassination of General Drentelea.

Right Honorable John Arthur Roebuck, liberal member of parliament for Sheffield, and a prominent political writer, is dead.

Prince Alexander, of Bulgaria, has informed the Czar that he desires to abdicate.

Emperor Wilhelm and the king of Denmark have at last come to an agreement in regard to the Hanoverian question.

Twenty-seven persons were dancing on the ground floor of a factory in the course of construction at Pozzuoli, Naples, when the two upper floors fell on them. Seven persons have been extricated, but there is no hope of the recovery of the others alive.

CRIMES AND CASUALTIES.

The schooner Hattie Johnson is foundered off the Main coast, and her crew of nine men is lost.

The Hornellville, N. Y., railroad depot was burned Sunday.

James Young was run over in the Louisville and Nashville Railroad yards, at Louisville, Sunday, and killed.

The pepper throwers who have been on trial at Chicago the past week, were found guilty Sunday.

Meteorological.

Washington, Dec. 1.—Indications: For the Ohio valley, lower pressure, winds mostly northerly, warmer and clear or partly cloudy, weather probably followed in western portions Tuesday by increasing cloudiness and local rains. For the lake region, fresh to brisk southwesterly winds gradually veering to northwest and westerly, warmer, partly cloudy weather and possibly occasional light rains or snows from lower lakes to Lake Superior, followed by falling temperature over upper lakes, and by Tuesday over lower lakes.

Marine.

New York, Dec. 1.—Arrived: Steamship Canada from London. New York, Dec. 1.—The steamship Celtic from Liverpool, Saturday, brought 1,500,000 American gold coin.

London, Dec. 1.—Steamship Westphalia from New York, Saturday, brought 1,500,000 American gold coin.

Germania, Dec. 1.—Arrived steamship Germania from New York.

SHERMAN.

Extracts from the Annual Report of the Secretary of the Treasury.

Resumption of Specie Payments—Refunding the Bonded Debt.

The National Banks—The Legal Tender Law, Etc.

The following extracts comprise the most important portions of secretary Sherman's annual report:

ORDINARY REVENUE AND EXPENDITURES.

The ordinary revenues from all sources for the fiscal year ending June 30, 1879, were:

From customs, \$137,350,042.70
From internal revenue, 115,561,610.50
From sales of public lands, 924,781.05
From tax on circulation of bonds, 374,249.66
From interest on national bonds, 6,747,500.32
From payment of interest by Pacific railway companies, 2,707,201.63
From customs fees, fines, penalties, etc., 1,008,871.00
From fees, consular letters patent, and lands, 2,136,051.79
From payment of interest on government property, 181,128.81
From premium on sales of coin, 8,104.28
From profits on coinage, etc., 2,924,688.67
From revenues of the District of Columbia, 1,441,661.00
From miscellaneous sources, 3,046,541.05

Total ordinary receipts, \$277,877,131.47
Ordinary expenditures: For civil expenses, \$10,439,897.13
For foreign interest, 2,238,836.13
For Indian affairs, 5,206,109.08
For pensions, 35,121,482.39
For military establishment, including river and harbor improvement and arsenals, 40,425,869.73
For naval establishment, including river and harbor improvement and arsenals, 15,129,126.84
For miscellaneous expenditures, including public buildings, light houses, and colleges, etc., 3,870,205.78
For expenditures on account of the District of Columbia, 3,307,876.41
For interest on public debt, 10,327,949.00
For payment of railroads, 5,500,000.00
Total ordinary expenditures, \$209,979,383.35

Leaving a surplus revenue of \$67,897,748.12, which was applied as follows: To the redemption of fractional currency, \$21,417.17
To the redemption of fractional currency, 705,162.80
To the redemption of fractional currency, 18,500.00
For increase of the sinking fund in the treasury, 61,244,024.77

Total, \$68,797,300.76
The amount due the sinking fund for the year was \$68,500,000, leaving a deficiency on this account of \$297,300.76. Compared with the previous fiscal year, the receipts of the sinking fund were increased in the following items:

In internal revenue, \$2,929,983.31
In premium on loans, 1,404,692.35
In interest on national bonds, 6,747,500.32
In profits on coinage, etc., 2,924,688.67
In miscellaneous items, \$2,504,419.10
There was a decrease of \$97,825.94, as follows:

In sales of public lands, \$15,002.31
In proceeds of sales of government property, 115,562.61
In proceeds of sales of government property, 924,781.05
In proceeds of sales of government property, 374,249.66
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HAYES.

Annual Message of the
De Facto President.Congratulations Upon the Re-
sumption of the Public Debt.Resumption and the Refund-
ing of the Public Debt.Foreign Affairs--Civil Service Re-
form--The Indians--Mor-
monism, Etc.Yellow-Citizens of the State and House
of Representatives.

The members of the forty-sixth con-
gress have assembled in their first
regular session under circumstances
calling for mutual congratulation and
grateful acknowledgment to the Gov-
ernor of all good for the large and un-
usual measure of national prosperity
which we now enjoy.

RESUMPTION.

The most interesting events which
have occurred in our public affairs since
my last annual message to congress are
connected with the financial opera-
tions of the government directly af-
fecting the business interests of the
country. I congratulate congress on
the successful execution of the re-
suspension act. At the time fixed and
in the manner contemplated by law,
United States notes began to be re-
deemed in coin. Since the first of
January last they have been promptly
redeemed on presentation, and in all
business transactions, public and
private, in all parts of the country,
they are received and paid out as the
equivalent of coin. The demand upon
the treasury for gold and silver in
exchange for United States notes has
been comparatively small, and the
voluntary deposit of coin and bullion
in exchange for notes has been very
large. The excess of the precious
metals deposited or exchanged for
United States notes over the amount
of United States notes redeemed is
about \$40,000,000.

The resumption of specie payments
has been followed by a very great re-
vival of business. With a currency
equivalent in value to the money of
the commercial world, we are enabled
to enter upon an equal competition
with other nations in trade and pro-
duction. The increasing foreign de-
mand for our manufactures and agri-
cultural products has caused a large
balance of trade in our favor, which
has been paid in gold, from the 1st of
July last, to Nov. 15, to the amount
of about \$59,000,000. Since the re-
suspension of specie payments there
has also been a marked and gratifying
improvement of the public credit.
The bonds of the government bearing
only four percent interest have been
sold at or above par, sufficient in
amount to pay off all of the national
debt which was redeemable under
present laws. The amount of interest
saved annually by the process of
refunding the debt, since March 1,
1877, is \$14,297,177. The bonds
sold were largely in small
sums, and the number of our citi-
zens now holding the public securi-
ties is much greater than ever before.
The amount of the national debt
which matures within less than two
years is \$792,121,700, of which \$500,-
000,000 bears interest at the rate of
five percent and the balance is in
bonds bearing six percent interest.
It is believed that this part of the
public debt can be refunded by the
issue of four percent bonds, and, by
the reduction of interest which will
thus be effected, about \$11,000,000
can be annually saved to the treas-
ury. To secure this important re-
duction of interest to be paid by the
United States, further legislation is
required, which, it is hoped, will be
provided by congress during its pre-
sent session.

COINAGE.

The coinage of gold by the mints
of the United States, during the last
fiscal year was \$40,986,912. The coin-
age of silver dollars, since the passage
of the act for that purpose, up to Nov.
1, 1879, was \$45,000,850, of which
\$12,700,344 had been issued from the
treasury and are now in circulation,
and \$32,300,506 are still in possession
of the government.

The pendency of the proposition for
unity of action between the United
States and the principal commercial
nations of Europe, to effect a perma-
nent system for the equality of gold
and silver in the recognized money of
the world, leads me to recommend
that congress refrain from new legisla-
tion on the general subject. The great
revival of trade, internal and foreign,
will supply, during the coming year,
its own instructions, which may well
be awaited before attempting further
experimental measures with the coin-
age. I would, however, strongly urge
upon congress the importance of au-
thorizing the secretary of the treasury
to suspend the coinage of silver dol-
lars upon the present legal ratio. The
market value of the silver dollar be-
ing uniformly and largely less than
the market value of the gold dollar, it
is obviously impracticable to maintain
them at par with each other if both
are coined without limit. If the
cheaper coin is forced into circulation
it will, if coined without limit, soon
become the sole standard of value,
and thus defeat the desired object,
which is a currency of both gold and
silver, which shall be of equivalent
value, dollar for dollar, with the uni-
versally recognized money of the
world.

RETIREMENT OF LEGAL TENDERS.

The retirement from circulation of
United States notes, with the capacity
of legal tender in private contract, is
a step to be taken in our progress to-
wards a safe and stable currency,
which should be accepted as the poli-

cy and duty of the government, and
the interest and security of the peo-
ple. It is my firm conviction that
the issue of legal tender paper
money based wholly upon the au-
thority and credit of the government,
except in extreme emergency, is
without warrant in the constitu-
tion, and a violation of sound finan-
cial principles. The issue of United
States notes during the late civil war
with the capacity of legal tender be-
tween private individuals was not au-
thorized except as a means of rescuing
the country from imminent peril. The
circulation of these notes as paper
money, for any protracted period of
time after the accomplishment of this
purpose, was not contemplated by the
framers of the law under which they
were issued. They anticipated the
redemption and withdrawal of these
notes at the earliest practicable period
consistent with the attainment of the
object for which they were provided.

The policy of the United States,
steadily adhered to from the adoption
of the constitution, has been to avoid
the creation of a national debt, and
when, from necessity in time of war,
debts have been created, they have
been paid off on the return of peace as
rapidly as possible. With this view,
and for this purpose, it is recom-
mended that the existing laws for the
accumulation of a sinking fund suffi-
cient to extinguish the public debt
within a limited period be maintained.
If any change of the objects or rates
of taxation is deemed necessary by
congress, it is suggested that experi-
ence has shown that a duty can be
placed on tea and coffee, which will
not enhance the price of those articles
to the consumer, and which will add
several millions of dollars annually to
the treasury.

POLYGAMY.

The continued deliberate violation
by a large number of the prominent
and influential citizens of the terri-
tory of Utah of the laws of the United
States for the prosecution and punish-
ment of polygamy demands the atten-
tion of every department of the gov-
ernment. This territory has a popu-
lation sufficient to entitle it to ad-
mission as a state, and the general in-
terests of the nation, as well as the
welfare of the citizens of the territory,
require its advancement from the terri-
torial form of government to the respon-
sibilities and privileges of a state.
This important change will not, how-
ever, be approved by the country while
the citizens of Utah in very consid-
erable number uphold a practice which
is condemned as a crime by the laws
of all civilized communities through-
out the world.

The law for the suppression of this
offense was enacted with great bea-
nitude by congress thirty-seven years
ago, but has remained un-
til recently a dead letter in the terri-
tory of Utah, because of the peculiar
difficulties attending its enforcement.
The opinion widely prevailed among
the citizens of Utah that the law was
in contravention of the constitutional
guarantee of religious freedom. This
objection is now re-
moved. The supreme court of the
United States has decided the law to be
within the legislative power of congress,
and binding as a rule of action for all
who reside within the territories. There
is no longer any reason for delay or hesi-
tation in its enforcement. It should
be firmly and effectively executed. If
not sufficiently stringent in its pro-
visions it should be amended, and, in
addition to the purpose in view, I recom-
mend that more comprehensive and
more searching methods for prevent-
ing as well as punishing this crime be
provided. If necessary to secure
obedience to the law, the enjoyment
and exercise of the rights and privi-
leges of citizenship in the territories
of the United States may be withheld
or withdrawn from those who violate
or oppose the enforcement of the law
on this subject.

ELECTIONS AND SUFFRAGE.

The elections of the past year,
though occupied only with state of-
fices, have not failed to elicit from
the political discussions which attended
them all over the country, new and
decisive evidence of the deep interest
which the great body of citizens take
in the progress of the country towards
a more general and complete estab-
lishment, at whatever cost, of uni-
versal security and freedom in the ex-
ercise of the elective franchise. While
many topics of political con-
cern demand great attention from our
people, both in the sphere of national
and state authority, I find no reason
to qualify the opinion I expressed in
my last annual message, that no tem-
porary or administrative interests of
government, however urgent or
weighty, will ever displace the zeal of
our people in defence of the primary
rights of citizenship, and that the
power of public opinion will override
all political prejudices, and all sectional
and state attachments, in de-
manding that all over our wide ter-
ritory the name and character of citi-
zen of the United States shall mean
one and the same thing, and carry
with them unchallenged security and
respect. I earnestly appeal to the in-
telligence and patriotism of all good
citizens of every part of the country,
however much they may be divided
in opinions on other political subjects,
to unite in compelling obedience to
the existing laws aimed at the pro-
tection of the right of suffrage. I
respectfully urge upon congress to
supply any defects in these laws
which experience has shown and
which it is within its power to re-
medy. I again invoke the co-operation
of the executive and legislative
authorities of the states in this great
purpose. I am fully convinced that
if the public mind can be set at rest
on this paramount question of popu-
lar rights, no serious obstacle will
thwart or delay the complete pacifica-
tion of the country, or retard the gen-
eral diffusion of prosperity.

CIVIL SERVICE REFORM.

In a former message I invited the
attention of congress to the subject of
the reformation of the civil service of
the government, and expressed the
intention of transmitting to congress
as early as practicable a report upon
this subject by the chairman of the
civil service commission.

In view of the facts that, during a
considerable period, the government
of Great Britain has been dealing with
administrative problems and abuses
in various particulars analogous to
those presented in this country, and
that in recent years the measures
adopted were understood to have been
effective and in every respect highly
satisfactory, I thought it desirable
to have fuller information upon the
subject, and accordingly requested the
chairman of the civil service commis-
sion to make a thorough investigation
for this purpose. The result has
been an elaborate and comprehensive
report.

THE BRITISH SYSTEM.

The report sets forth the history of
the partisan-spoils system in Great
Britain, and of the rise and fall of the
parliamentary party, and of official
interference with the freedom of
elections. It shows that after long
trials of various kinds of examinations,
those which are competitive and
open on equal terms to all, and which
are carried on under the supervision
of a single commission, have
with great advantage been established
as conditions of admission to almost
every official place in the subordinate
administration of that country, and of
British India. The completion of the
report, owing to the extent of the la-
bor involved in its preparation, and
the omission of congress to make any
provision either for the compensation
or the expenses of the commission, has
been postponed until the present time.
It is herewith transmitted to congress.

While the reform measures of an-
other government are of no authority
for us, they are entitled to influence,
to the extent to which their intrinsic
wisdom and their adaptation to our
institutions and social life may com-
mend them to our consideration.

The views I have heretofore ex-
pressed concerning the defects and
abuses in our civil administration re-
main unchanged, except in so far as
an enlarged experience has deepened
my sense of the duty both of officers
and of the people themselves to ex-
ercise for their removal. The grave
evils and perils of a partisan spoils
system of appointment to office and
of office tenure, are now generally rec-
ognized. In the resolutions of the great
parties, in the reports of departments,
in the debates and proceedings of con-
gress, in the messages of executives,
the gravity of these evils has been
pointed out and the need of their re-
form has been admitted.

ESSENTIAL IN A FREE STATE.

When the people have approved a
policy at a national election, confi-
dence on the part of the officers they
have selected, and of the advisers who,
in accordance with our political in-
stitutions, should be consulted, in the
policy which it is their duty to
carry into effect, is indispensable. It
is eminently proper that they should
explain it before the people, as well
as illustrate its spirit in the perfor-
mance of their official duties.

Very different considerations ap-
ply to the greater number of those
who fill the subordinate places in the
civil service. Their responsibility is
to their superiors in official position.
It is their duty to obey the legal in-
structions of those upon whom their
authority is derived, and their best
public service consists in the discharge
of their functions irrespective of par-
tisan politics. Their duties are the
same, whatever party is in power and
whatever policy prevails. As a con-
sequence, it follows that their tenure
of office should not depend on the
prevalence of any policy, but should
be determined by their capacity to
serve the people most usefully, quite
irrespective of partisan interests. The
same considerations that should gov-
ern the tenure, should also prevail in
the appointment, discipline and re-
moval of these subordinates. The au-
thority of appointment and removal
is not a prerogative, which may be
used to aid a friend or reward a partisan,
but is a trust to be exercised in the
public interest, under all the sanctions
which attend the obligation to apply
the public funds.

ONLY FOR PUBLIC PURPOSES.

Every citizen has an equal right to
the honor and profit of entering the
public service of his country. The
only just ground of discrimination is
the measure of character and capacity
he has to make that service most use-
ful to the people. Except in cases
where, upon just and recognized prin-
ciples, as upon the theory of pensions,
offices and promotions are bestowed
as rewards for past services, their dis-
tribution upon any theory which dis-
regards personal merit, is an act of in-
justice to the citizen, as well as a
breach of that trust subject to which
the appointing power is held.

In the light of these principles, it
becomes of great importance to pro-
vide just and adequate means,
especially for every department, and
large administrative office, where per-
sonal discrimination on the part of its
head is not practicable, for ascertain-
ing those qualifications to which ap-
pointments and removals should have
reference. To fail to provide such
means is not only to deny the oppor-
tunity of ascertaining the facts upon
which the most righteous claim to
office depends, but, of necessity, to dis-
courage all worthy aspirants, by
handing over appointments and re-
movals to mere influence and fa-
voritism. If it is the right of the
worthing claimant to gain the ap-
pointment, and the interest of the
people to bestow it upon him, it would
seem that a wise and just method of
ascertaining personal fitness for office
must be an important and permanent
function of every just and wise gov-
ernment. It has long since become
impossible, in the great offices, for
those having the duty of nomination
and appointment, to personally exam-
ine into the individual qualifications
of more than a small proportion of
those seeking office; and with the en-
largement of the civil service, that
proportion must continue to become
less.

In the earlier years of the govern-

ment, the subordinate offices were so
few in number that it was quite easy
for those making appointments and
removals to personally ascertain the
merits of candidates. Party managers
and methods had not then become
powerful agents of coercion, hostile to
the free and just exercise of the ap-
pointing power.

A large and responsible part of the
duty of restoring the civil service to
the desired state.

DUTY AND EFFICIENCY.

Rests upon the president, and it is my
purpose to do what is within my power
to advance such prudent and grad-
ual measures of reform as will most
surely and rapidly bring about that
radical change of system essential to
make our administrative methods sat-
isfactory to a free and intelligent peo-
ple. By a proper exercise of author-
ity it is in the power of the executive
to do much to promote such a reform.
But it cannot be too clearly under-
stood that nothing adequate can be
accomplished without co-operation on
the part of congress and considerate
and intelligent support among the
people. Reforms which challenge the
generally accepted theories of parties,
and demand changes in the methods
of departments, are not the work of a
day. Their permanent foundations
must be laid in sound principles, and
in an experience which demonstrates
their wisdom and exposes the errors
of their adversaries. Every worthy
binder desires to make his official re-
cord a gain and an honor to his coun-
try, but the people themselves, far
more than their officers in public sta-
tions, are interested in a pure, econom-
ical and vigorous administration.

By laws enacted in 1853 and 1855,
and now in substance incorporated in
the revised statutes, the practice of
arbitrary appointments to the several
subordinate grades in the great de-
partments was condemned, and exam-
inations as to capacity, to be conduct-
ed by departmental boards of exam-
iners, were provided for and made
conditions of admission to the public
service. These statutes are a decision
by congress that examinations of some
sort, as to attainments and capac-
ity, are essential to the well-
being of the public service. The im-
portant questions since the enactment
of these laws have been as to the
character of these examinations, and
whether official favor and partisan
influence, or common right and merit
were to control the access to the ex-
aminations. In practice, these ex-
aminations have not always been
open to worthy persons generally,
who might wish to be examined.

OFFICIAL FAVORITISM.

and partisan influence, as a rule, ap-
pear to have designated those who
alone were permitted to go before the
examining boards, subjecting even
the examiners to a pressure from the
friends of the candidates very diffi-
cult to resist. As a consequence, the
standard of admission fell below that
which the public interest demanded.
It was also almost inevitable that a
system which provided for various
separate boards of examiners, with no
common supervision of uniform
method of procedure, should result
in confusion, inconsistency, and in-
adequate tests of capacity highly
detrimental to the public interests.
A further and more radical change
was obviously required.

In the annual message of December,
1870, my predecessor declared that
"there is no duty which so much en-
barrasses the executive and heads of
departments as that of appointments;
nor is there any such arduous and
thankless labor imposed on senators
and representatives as that of find-
ing places for constituents. The
present system does not secure the
best men, and often not even fit men
for the public places. The elevation
and purification of the civil service
of the government will be aided by
approval by the whole people of the
United States." Congress accordingly
passed the act approved March 3,
1871, "to regulate the civil service of
the United States and promote the
efficiency thereof," giving the neces-
sary authority to the executive to
inaugurate civil service reform.

Acting under this statute, which
was interpreted as intended to secure
a system of just and efficient exami-
nations under uniform supervision,
a number of eminently competent per-
sons were selected for the purpose,
who entered with zeal upon the dis-
charge of their duties, prepared, with
an intelligent appreciation of the
requirements of the service, the regu-
lations contemplated, and took charge
of the examinations, and who, in
their capacity as a board, have been
known as the

"CIVIL SERVICE COMMISSION."

Congress for two years appropriated
the money needed for the compensa-
tion and for the expense of carrying
on the work of the commission.

It appears from the report of the
commission, submitted to the presi-
dent in April, 1874, that examina-
tions had been held in various sections
of the country, and that an appropria-
tion of about \$25,000 would be re-
quired to meet the annual expenses,
including salaries, involved in
discharging the duties of the commis-
sion by special message of April
18, 1874, with the following favorable
comment upon the labors of the com-
mission:

"It sustained by congress, I have no
doubt the rules can, after the experience
gained, be so improved and enforced as to
still more materially benefit the public
service and relieve the executive mem-
bers of congress and the heads of de-
partments from influences prejudicial to good
administration. The rules, as they have
hitherto been enforced, have resulted
beneficially, as is shown by the opinions
of the members of the cabinet and their en-
tirely favorable opinion I concur."

And in the annual message of De-
cember of the same year similar views
are expressed, and an appropriation
for continuing the work of the com-
mission was again advised.

The appropriation was not made,
and, as a consequence, the active work
of the commission was suspended,
leaving the commission itself still in
existence. Without the means, there-
fore, of causing qualification to be
tested in any systematic manner, or of
securing for the public service the ad-
vantages of competition upon any ex-

tensive plan, I recommended in my
annual message of December, 1877,
the making of an appropriation for
the resumption of the work of the
commission.

COMPETITIVE EXAMINATIONS.

under many circumstances have
been conducted within limited spaces
in the executive departments in Wash-
ington, and in a number of the cus-
tom houses and post offices of the
principal cities of the country, with a
view to further test their effects, and,
in every instance, they have been
found to be as salutary as they are
stated to have been under the admin-
istration of my predecessor. I think the
economy, purity, and efficiency of the
public service would be greatly pro-
moted by their systematic introduc-
tion, wherever practicable, throughout
the entire civil service of the govern-
ment, together with ample provision
for their general supervision, in order
to secure consistency and uniform
justice.

Reports from the secretary of the
interior, from the postmaster-general,
from the postmaster in the city of
New York, where such examinations
have been sometimes on trial, and also
from the collector of this port, the
naval officer, and the surveyor in that
city, and from the postmasters and
collectors in several of the other
large cities, show that the competitive
system, where applied, has, in various
ways, contributed to improve the pub-
lic service.

The reports show that the results
have been salutary to a marked de-
gree, and that the general application
of similar rules cannot fail to be of
decided benefit to the service.

The reports of the government officers,

in the

CITY OF NEW YORK.

especially, bear decided testimony to
the utility of open competitive exami-
nations in their respective offices, show-
ing that "these examinations, and the
excellent qualifications of those ad-
mitted to the service through them,
have had a marked incidental effect
upon the persons previously in the
service, and particularly upon those
aspiring to promotion. There has been
on the part of these latter, an increas-
ed interest in the work, and a desire
to extend acquaintance with the
particular desk occupied, and thus
the morale of the entire force has been
raised." * * * The examinations
have been attended by many citizens
who have had an opportunity to thor-
oughly investigate the scope and char-
acter of the tests and the method of
determining the results, and these visit-
ors have, without exception, approved
the methods employed, and several of
them have publicly attested their fa-
vorable opinion."

Upon such considerations, I deem
it my duty to renew the recommenda-
tion contained in my annual message
of December, 1877, requesting con-
gress to make the necessary appropria-
tion for the resumption of the work
of the civil service commission. Econ-
omy will be promoted by authorizing
a moderate compensation to persons
in the public service who may perform
extra labor upon or under the com-
mission, as the executive may direct.
I am convinced that if a just and
adequate test of merit is enforced for
admission to the public service and in
making promotions, such abuses as
removals without good cause and par-
tisan and official interference with the
proper exercise of the appointing power,
will in large measure disappear.

There are other

ADMINISTRATIVE ABUSES.

to which the attention of congress
should be asked in this connection.
Mere partisan appointments, and the
constant peril of removal without
cause, very naturally lead to an ab-
sorbing and mischievous political ac-
tivity, on the part of those thus ap-
pointed, which not only interferes
with the due discharge of official duty,
but is incompatible with the freedom
of elections. Not without warrant,
in the views of several of my prede-
cessors in the presidential office, and
directly within the law of 1871, already
cited, I endeavored, by regulation,
made on the 22nd day of June, 1877,
to put some reasonable limits to such
abuses. It may not be easy, and it
may never perhaps be necessary, to
define with precision the proper
limit of political action on the part
of federal officers. But while their
right to hold and freely express
their opinions cannot be questioned,
it is very plain that they should nei-
ther be allowed to devote to other
subjects the time needed for the
proper discharge of their official
duties, nor to use the authority of
their office to enforce their own op-
inions, or to coerce the political action
of those who hold different opinions.

Reasons of justice and public policy,
quite analogous to those which
forbid the use of official power for
the oppression of the private citizen,
impose upon the government the duty
of protecting its officers and agents
from arbitrary examinations. In what-
ever aspect considered, the practice of
making levies for party purposes, up-
on the salaries of officers is highly de-
moralizing to the public service and
disrespectable to the country. Though
an officer should be as free as any
other citizen to give his own money
in aid of his opinions or his party, he
should also be as free as any other citi-
zen to refuse to make such gifts. If
salaries are but a fair compensation
for the time and labor of the officer, it
is gross injustice to levy a tax upon
them. If they are made excessive in
order that they may bear the tax, the
excess is an indirect robbery of the
public funds.

I recommend, therefore, such a re-
vision and extension of present sta-
tutes as shall secure to those in every
grade of official life or public employ-
ment the protection with which a
great and enlightened nation should
guard those who are faithful in its ser-
vice.

Our

RELATIONS WITH FOREIGN COUNTRIES.

have continued peaceful.
With Great Britain there are still
unsettled questions, growing out of
the local laws of the maritime prov-
inces and the action of provincial
authorities, deemed to be in derog-

ation of rights secured by treaty to
American fishermen. The United
States minister in London has been
instructed to present a demand for
\$105,305.02, in view of the damages re-
ceived by American citizens at Fort-
ness Bay on the 6th day of January,
1878. The subject has been taken into
consideration by the British gov-
ernment, and an early reply is anti-
cipated.

Upon the completion of the neces-
sary preliminary examinations, the
subject of our participation in the
provincial fisheries, as regulated by
treaty, will at once be brought to the
attention of the British government
with a view to an early and perma-
nent settlement of the whole question,
which was only temporarily adjusted
by the treaty of Washington.

Efforts have been made to obtain
the removal of restrictions found in-
jurious to the exportation of cattle to
the United Kingdom.
Some correspondence has also oc-
curred with regard to the rescue and
sparing of life and property upon the
lakes, which has resulted in import-
ant modifications of the previous regu-
lations of the Dominion government
on the subject, in the interest of hu-
manity and commerce.

In accordance with the joint reso-
lution of the last session of con-
gress, commissioners were appointed
to represent the United States at the
two INTERNATIONAL EXHIBITIONS
in Australia, one of which is now in
progress at Sydney, and the other to be
held next year at Melbourne. A de-
sire has been expressed by our mer-
chants and manufacturers interested
in the important and growing trade
with Australia, that an increased pro-
vision should be made by congress for
the representation of our industries at
the Melbourne exhibition of next
year, and the subject is respectfully
submitted to your favorable considera-
tion.

The assent of the government has
been given to the landing, on the coast
of Massachusetts, of a new and inde-
pendent transatlantic cable, between
France, by way of the French island
of St. Pierre, and thence to New York.
Subject to any future legislation of congress
on the subject. The conditions im-
posed, before allowing this connection
with our shores to be established, are
such as to secure its competition with
any existing or future lines of marine
cable, and preclude amalgamation
therewith, to provide for entire
equality of rights to our government
and people with those of France in
the use of the cable, and prevent any
exclusive possession of the privilege
as accorded by France to the disad-
vantage of any future cable com-
munication between France and the
United States which may be projected
and accomplished by our citizens. An
important reduction of the present
rates of cable communication with
Europe, felt to be too burdensome to
the interests of our commerce, must
necessarily flow from the establish-
ment of this competing line.

The attention of congress was
drawn to the propriety of some gen-
eral regulation by congress of the
whole subject of transatlantic cables
by my predecessor in his message of
Dec. 7, 1875, and I respectfully sub-
mit to your consideration the impor-
tance of congressional action in this
matter.

The questions of grave importance
with Spain, growing out of the in-
cidents of the

CUBAN INSURRECTION.

have been, for the most part, happily
and honorably settled. It may rea-
sonably be anticipated that the com-
mission now sitting in Washington,
for the decision of private cases in
this connection, will soon be able to
bring its labors to a conclusion.

The long standing question of East
Florida claims has lately been renewed
as a subject of correspondence, and
may possibly require congressional
action for its final disposition.

A treaty with the Netherlands, with
respect to consular rights and privi-
leges, similar to those with other pow-
ers, has been signed and ratified, and
the ratifications were exchanged on
the 31st of July last. Negotiations
for extradition treaties with the
Netherlands and with Denmark are
now in progress.

Some questions with Switzerland,
in regard to pauper and convict emi-
grants, have arisen, but it is not
doubted that they will be arranged
upon a just and satisfactory basis.
A question has also occurred with
respect to an asserted claim by Swiss
municipal authorities to exercise
jurisdiction over persons and property of
Swiss citizens naturalized in this
country. It is possible this may re-
quire adjustment by treaty.

With the

GERMAN EMPIRE.

frequent questions arise in con-
nection with the subjects of naturaliza-
tion and expatriation; but the im-
perial government has constantly
manifested a desire to strictly main-
tain and comply with all treaty stipu-
lations in regard to them.

In consequence of the omission of
congress to provide for a diplomatic
representative at Athens, the legation
to Greece has been withdrawn. There
is now no channel of diplomatic com-
munication between the two coun-
tries, and the expediency of providing
for one, in some form, is submitted to
congress.

Relations with Austria, Russia,
Italy, Portugal, Turkey and Belgium
continue amicable, and marked by no
incident of especial importance.

A change of the personal head of
the government of Egypt has taken
place. No change, however, has oc-
curred in the relations between Egypt
and the United States. The action
of the Egyptian government in pre-
serving to the city of New York one
of the ancient obelisks, which possess
such historic interest, is highly ap-
preciated as a generous mark of inter-
national regard. If prosperity should
attend the enterprise of its transporta-
tion across the Atlantic, its erection
in a conspicuous position in the chief
commercial city of the nation will
soon be accomplished.

The treaty recently made between
Japan and the United States in re-
gard to the revision of former com-
mercial treaties is now believed

will be

HAYES.

Annual Message of the De Facto President.

Congratulations Upon the Revival of Business.

Resumption and the Refunding of the Public Debt Considered.

Foreign Affairs—Civil Service Reform—The Indians—Mormonism, Etc.

Fellow-Citizens of the Senate and House of Representatives: The members of the forty-sixth congress have assembled in their first regular session under circumstances calling for mutual congratulation and grateful acknowledgment to the giver of all good for the large and unusual measure of national prosperity which we now enjoy.

RESUMPTION. The most interesting events which have occurred in our public affairs since my last annual message to congress are connected with the financial operations of the government directly affecting the business interests of the country. I congratulate congress on the successful execution of the resumption act. At the time fixed and in the manner contemplated by law, United States notes began to be redeemed in coin. Since the first of January last they have been promptly redeemed on presentation, and in all business transactions, public and private, in all parts of the country, they are received and paid out as the equivalent of coin. The demand upon the treasury for gold and silver in exchange for United States notes has been comparatively small, and the voluntary deposit of coin and bullion in exchange for notes has been very large. The excess of the precious metals deposited or exchanged for United States notes over the amount of United States notes redeemed is about \$40,000,000.

The resumption of specie payments has been followed by very great revival of business. With a currency equivalent in value to the money of the commercial world, we are enabled to enter upon an equal competition with other nations in trade and production. The increasing foreign demand for our manufactures and agricultural products has caused a large balance of trade in our favor, which has been paid in gold, from the 1st of July last, to Nov. 15, to the amount of about \$59,000,000. Since the resumption of specie payments there has also been a marked and gratifying improvement of the public credit. The bonds of the government bearing only four percent interest have been sold at or above par, sufficient in amount to pay off all of the national debt which was redeemable under present laws. The amount of interest saved annually by the process of refunding the debt, since March 1, 1877, is \$14,297,777. The bonds sold were largely in small sums, and the number of our citizens now holding the public securities is much greater than ever before. The amount of the national debt which matures within less than two years is \$792,121,700, of which \$500,000,000 bears interest at the rate of five percent and the balance is in bonds bearing six percent interest. It is believed that this part of the public debt can be refunded by the issue of four percent bonds, and, by the reduction of interest which will thus be effected, about \$11,000,000 can be annually saved to the treasury. To secure this important reduction of interest to be paid by the United States, further legislation is required, which, it is hoped, will be provided by congress during its present session.

COINAGE. The coinage of gold by the mints of the United States, during the last fiscal year was \$40,986,912. The coinage of silver dollars, since the passage of the act for that purpose, up to Nov. 1, 1879, was \$45,000,850, of which \$12,700,344 have been issued from the treasury and are now in circulation, and \$32,300,506 are still in possession of the government.

The tendency of the proposition for unity of action between the United States and the principal commercial nations of Europe, to effect a permanent system for the currency of gold and silver in the recognized money of the world, leads me to recommend that congress refrain from new legislation on the general subject. The great revival of trade, internal and foreign, will supply, during the coming year, its own instructions, which may well be awaited before attempting further experimental measures with the coinage. I would, however, strongly urge upon congress the importance of authorizing the secretary of the treasury to suspend the coinage of silver dollars upon the present legal ratio. The market value of the silver dollar being uniformly and largely less than the market value of the gold dollar, it is obviously impracticable to maintain them at par with each other, if both are coined without limit. If the cheaper coin is forced into circulation it will, if coined without limit, soon become the sole standard of value, and thus defeat the desired object, which is a currency of both gold and silver, which shall be of equivalent value, dollar for dollar, with the universally recognized money of the world.

RETIREMENT OF LEGAL TENDERS.

The retirement from circulation of United States notes, with the capacity of legal tender in private contract, is a step to be taken in our progress towards a safe and stable currency, which should be accepted as the poli-

cy and duty of the government, and the interest and security of the people. It is my firm conviction that the issue of legal tender paper money based wholly upon the authority and credit of the government, except in extreme emergency, is without warrant in the constitution, and a violation of sound financial principles. The issue of United States notes during the late civil war, between private individuals was not authorized except as a means of rescuing the country from imminent peril. The circulation of these notes, as paper money, for any protracted period of time after the accomplishment of this purpose, was not contemplated by the framers of the law under which they were issued. They anticipated the redemption and withdrawal of these notes at the earliest practicable period consistent with the attainment of the object for which they were provided. The policy of the United States, steadily adhered to from the adoption of the constitution, has been to avoid the creation of a national debt, and when, from necessity in time of war, debts have been created, they have been paid off on the return of peace as rapidly as possible. With this view, and for this purpose, it is recommended that the existing laws for the accumulation and sinking fund sufficient to liquidate the public debt within a limited period be maintained. If any change of the objects or rates of taxation is deemed necessary by congress, it is suggested that experience has shown that a duty may be placed on tea and coffee, which will not enhance the price of those articles to the consumer, and which will add several millions of dollars annually to the treasury.

POLYGAMY. The continued deliberate violation by a large number of the prominent and influential citizens of the territory of Utah of the laws of the United States for the prosecution and punishment of polygamy demands the attention of every department of the government. This territory has a population sufficient to entitle it to admission as a state, and the general interests of the nation, as well as the welfare of the citizens of the territory, require its advancement from the territorial form of government to the responsibilities and privileges of a state. This important change will not, however, be approved by the country while the citizens of Utah in very considerable number uphold a practice which is condemned as a crime by the laws of all civilized communities throughout the world.

The law for the suppression of this offense was enacted with great unanimity by congress more than seven years ago, but has remained unexecuted. I recently a dead letter in the territory of Utah, because of the peculiar difficulties attending its enforcement. The opinion widely prevailed among the citizens of Utah that the law was in contravention of the constitutional guarantee of religious freedom. This objection is now removed. The supreme court of the United States has decided the law to be within the legislative power of congress, and binding as a rule of action for all who reside within the territories. There is no longer any reason for delay or hesitation in its enforcement. It should be firmly and effectively executed. If not sufficiently stringent in its provisions it should be amended, and, in aid of the purpose in view, I recommend that more comprehensive and more searching methods for preventing as well as punishing this crime be provided. If necessary to secure obedience to the law, the enjoyment and exercise of the rights and privileges of citizenship in the territories of the United States may be withheld or withdrawn from those who violate or oppose the enforcement of the law on this subject.

ELECTIONS AND SUFFRAGE.

The elections of the past year, though occupied only with state offices, have not failed to elicit in the political discussions which attended them all over the country, new and decisive evidence of the deep interest which the great body of citizens take in the progress of the country towards a more general and complete establishment, at whatever cost, of universal security and freedom in the exercise of the elective franchise. While many topics of political concern demand great attention from our people, both in the sphere of national and state authority, I find no reason to qualify the opinion I expressed in my last annual message, that no temporary or administrative interests of government, however urgent or weighty, will ever displace the great rights of citizenship, and that the power of public opinion will override all political prejudices, and all sectional and state attachments, in determining that all over our wide territory of name and character, the citizens of the United States shall maintain one and the same thing, and carry with them unchanged security and respect. I earnestly appeal to the intelligence and patriotism of all good citizens of every part of the country, however much they may be divided in opinions on other political subjects, to unite in compelling obedience to the existing laws aimed at the protection of the right of suffrage. I respectfully urge upon congress to supply any defects in these laws which experience has shown and which it is within its power to remedy. I again invoke the co-operation of the executive and legislative authorities of the states in this great purpose. I am fully convinced that the public mind can be set at rest on this paramount question of popular right, or delay the complete pacification of the country, or retard the general diffusion of prosperity.

CIVIL SERVICE REFORM.

In a former message I invited the attention of congress to the subject of the reformation of the civil service of the government, and expressed the intention of transmitting to congress as early as practicable a report upon this subject by the chairman of the civil service commission.

In view of the facts that, during a considerable period, the government of Great Britain has been dealing with administrative problems and abuses in various particular analogous to those presented in this country, and that in recent years the measures adopted were understood to have been effective and in every respect highly satisfactory, I deem it desirable to have fuller information upon the subject, and accordingly requested the chairman of the civil service commission to make a thorough investigation into this purpose. The result has been an elaborate and comprehensive report.

THE BRITISH SYSTEM.

The report sets forth the history of the partisan-spoils system in Great Britain, and of the rise and fall of the parliamentary patronage, and of official interference with the freedom of elections. It shows that after long trials of various kinds of examinations, those which are competitive and open on equal terms to all, and which are carried on under the supervision of a single commission, have with great advantage been established as a condition of admission to almost every official place in the subordinate administration of that country, and of British India. The completion of the report, owing to the extent of the work involved in its preparation, and the omission of congress to make any provision either for the compensation or the expenses of the commission, has been postponed until the present time. It is herewith transmitted to congress.

While the reform measures of another government are of no authority for us, they are entitled to influence, to the extent to which their intrinsic wisdom and their adaptation to our institutions and social life may commend them to our consideration.

The views I have heretofore expressed concerning the defects and abuses in our civil administration remain unchanged, except in so far as an enlarged experience has deepened my sense of the duty both of officers and of the people themselves to co-operate for their removal. The grave evils and perils of a partisan spoils system of appointment to office and of office tenure, are now generally recognized. In the resolutions of the great parties, in the reports of departments, in the debates and proceedings of congress, in the messages of executives, the gravity of these evils has been pointed out and the need of their reform has been admitted.

To command the necessary support, every measure of reform must be based on common right and justice, and must be compatible with the healthy existence of great parties, which are inevitable and

ESSENTIAL IN A FREE STATE.

When the people have approved a policy at a national election, conformity on the part of the officers who have been selected, and of the advisers who, in accordance with our political institutions, should be consulted, in the policy which it is their duty to carry into effect, is indispensable. It is eminently proper that they should explain it before the people, as well as illustrate its spirit in the performance of their official duties.

Very different considerations apply to the greater number of officers who fill the subordinate places in the civil service. Their responsibility is to their superiors in official position. It is their duty to obey the legal instructions of those upon whom that authority is devolved, and their best public service consists in the discharge of their functions irrespective of partisan politics. Their duties are the same, whatever party is in power and whatever policy prevails. As a consequence, it follows that their tenure of office should not depend on the prevalence of any policy or the supremacy of any party, but should be determined by their capacity to serve the people most usefully, quite irrespective of partisan interests. The same considerations that should govern the tenure, should also prevail in the appointment, discipline and removal of these subordinates. The authority of appointment and removal is not a perquisite, which may be used to aid a friend or reward a partisan, but is a trust to be exercised in the public interest, under all the sanctions which attend the obligation to apply the public funds.

ONLY FOR PUBLIC PURPOSES.

Every citizen has an equal right to the honor and profit of entering the public service of his country. The only just ground of discrimination is the measure of character and capacity he has to make that service most useful to the people. Except in cases where, upon just and recognized principles, as upon the theory of pensions, offices and promotions are bestowed as rewards for past services, their bestowal upon any theory which disregards personal merit, is an act of injustice to the citizen, as well as a ground of distrust to the public. It appears from the report of the commission, submitted to the president in April, 1874, that examinations had been held in various sections of the country, and that an appropriation of about \$25,000 annual expenses, including salaries involved in discharging the duties of the commission. The report was transmitted to congress by special message of April 18, 1874, with the following favorable comment upon the labors of the commission:

"If sustained by congress, I have no doubt the rules can, after the experience gained, be so improved and enforced as to secure to the public service and relieve the executive, members of congress, and the heads of departments, from influences and temptations to favoritism. If it is the right of the worst claimant to gain the appointment, and the interest of the people to bestow it upon him, it would seem that a wise and just method of ascertaining personal fitness for office must be an important and permanent function of every just and wise government. It has long since become impossible, in the great offices, for those having the duty of nomination and appointment, to personally examine into the individual qualifications of more than a small proportion of those seeking office, and with the enlargement of the civil service, that proportion must continue to become less."

In the earlier years of the government, the subordinate offices were so few in number that it was quite easy for those making appointments and promotions to personally inspect the merits of candidates. Party managers and methods had not then become powerful agents of coercion, hostile to the free and just exercise of the appointing power. A large and responsible part of the duty of restoring the civil service to the desired state rests upon the president, and it is my purpose to do what is within my power to advance such prudent and gradual measures of reform as will most surely and rapidly bring about that radical change of system essential to make our administrative methods satisfactory to a free and intelligent people. By a proper exercise of authority it is in the power of the executive to do much to promote such a reform. But it cannot be too clearly understood that nothing adequate can be accomplished without co-operation on the part of congress and considerate and intelligent support among the people. Reforms which challenge the generally accepted theories of parties, and demand changes in the methods of departments, are not the work of a day. Their permanent foundations must be laid in sound principles, and in an experience which demonstrates the wisdom and exposes the errors of their adversaries. Every worthy officer desires to make his official action a gain and an honor to his country, but the people themselves, far more than their officers in public stations, are interested in a pure, economical and vigorous administration.

By laws enacted in 1855 and 1856, and now in substance incorporated in the revised statutes, the practice of arbitrary appointments to the several subordinate grades in the great departments was condemned, and examinations as to capacity, to be conducted by departmental boards of examiners, were provided for and made conditions of admission to the public service. These statutes are a decision by congress that examinations of some sort, as to attainments and capacity, are essential to the well-being of the public service. The important questions since the enactment of these laws have been as to the character of these examinations, and whether official favor and partisan influence, or common right and merit were to control the access to the examinations. In practice, these examinations have not always been open to worthy persons generally, who might wish to be examined.

OFFICIAL FAVORITISM.

As a rule, appear to have designated those who are admitted to go before the examining boards, subjecting even the friends of the candidates very difficult to resist. As a consequence, the standard of admission fell below that which the public interest demanded. It was also almost inevitable that a system which provided for various separate boards of examiners, with no common supervision of uniform method of procedure, should result in confusion, inconsistency, and inadequate tests of capacity highly detrimental to the public interests. A further and more radical change was obviously required.

In the annual message of December, 1870, my predecessor declared that "there is no duty which so much embarrasses the executive and heads of departments as that of appointments; nor is there any such arduous and thankless labor imposed on senators and representatives as that of finding places for constituents. The present system does not secure the best men, and often not even fit men for the public places. The elevation and purification of the civil service of the government will be hailed with approval by the whole people of the United States." Congress accordingly passed the act approved March 3, 1871, "to regulate the civil service of the United States and promote the efficiency thereof," giving the necessary authority to the executive to inaugurate a civil service reform.

Acting under this statute, which was interpreted as intended to secure a system of just and effectual examinations under uniform supervision, a number of eminently competent persons were selected for the purpose, who entered with zeal upon the discharge of their duties, prepared, with an intelligent appreciation of the requirements of the service, the regulations contemplated, and took charge of the examinations, and who, in their capacity as a board, have been known as the

"CIVIL SERVICE COMMISSION."

Congress for two years appropriated the money needed for the compensation and for the expense of carrying on the work of the commission. It appears from the report of the commission, submitted to the president in April, 1874, that examinations had been held in various sections of the country, and that an appropriation of about \$25,000 annual expenses, including salaries involved in discharging the duties of the commission. The report was transmitted to congress by special message of April 18, 1874, with the following favorable comment upon the labors of the commission:

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The appropriation was not made, and, as a consequence, the active work of the commission was suspended, leaving the commission itself still in existence. Without the means, therefore, of causing qualification to be tested in any systematic manner, or of securing for the public service the advantages of competition upon any extensive plan, I recommended in my annual message of December, 1877, the making of an appropriation for the resumption of the work of the commission.

In the meantime, however, COMPETITIVE EXAMINATIONS under many embarrassments have been conducted within limited spheres in the executive departments in Washington, and in a number of the custom houses and post offices of the principal cities of the country, with a view to further test their effects, and, in every instance, they have been found to be as salutary as they are stated to have been under the administration of my predecessor. I think the economy, purity, and efficiency of the public service would be greatly promoted by their systematic introduction, wherever practicable, throughout the entire civil service of the government, together with ample provision for their general supervision, in order to secure consistency and uniform justice.

Reports from the secretary of the interior, from the postmaster-general, from the postmaster in the city of New York, where such examinations have been some on trial, and also from the collector of the port, the naval officer, and the surveyor in that city, and from the postmasters and collectors in several of the other large cities, show that the competitive system, where applied, has, in various ways, contributed to improve the public service.

The reports show that the results have been salutary in a marked degree, and that the general application of similar rules cannot fail to be of decided benefit to the service.

THE REPORTS OF THE GOVERNMENT OFFICERS, IN THE

CITY OF NEW YORK especially, bear decided testimony to the utility of open competitive examinations in their respective offices, showing that "these examinations, and the excellent qualifications of those admitted to the service through them, have had a marked incidental effect upon the persons previously in the service, and particularly upon those aspiring to promotion. There has been, on the part of these latter, an increased interest in the work, and a desire to extend acquaintance with it beyond the particular desk occupied, and thus the morale of the entire force has been raised."

The examinations have been attended by many citizens who have had an opportunity to thoroughly investigate the scope and character of the tests and the method of determining the results, and those visitors have, without exception, approved the methods employed, and several of them have publicly attested their favorable opinion. Upon such considerations, I deem it my duty to renew the recommendation contained in my annual message of December, 1877, requesting congress to make the necessary appropriation for the resumption of the work of the civil service commission. Economy will be promoted by authorizing a moderate compensation to persons in the public service who may perform extra labor upon or under the commission, as the executive may direct. I am convinced that if a just and adequate test of merit is enforced for admission to the public service and in making promotions, such abuses as removals without good cause and partisan and official interference with the proper exercise of the appointing power, will in large measure disappear.

There are other

ADMINISTRATIVE ABUSES

to which the attention of congress should be asked in this connection. Mere partisan appointments and the constant peril of removal without cause, very naturally lead to an absorbing and mischievous political activity, on the part of those thus appointed, which not only interferes with the due discharge of official duty, but is incompatible with the freedom of elections. Not without warrant, in the views of several of my predecessors in the presidential office, and directly within the law of 1871, already cited, I endeavored, by regulation, made on the 22nd day of June, 1877, to put some reasonable limits to such abuses. It may not be easy, and it may never perhaps be necessary, to define with precision the proper limit of political action on the part of federal officers. But while their right to hold and freely express their opinions cannot be questioned, it is very plain that they should neither be allowed to devote to other subjects the time needed for the proper discharge of their official duties, nor to use the authority of their office to enforce their own opinions, or to coerce the political action of those who hold different opinions. Reasons of justice and public policy, quite analogous to those which forbid the use of official power for the purpose of the private exercise of political rights, should be applied to the imposition upon the government the duty of protecting its officers and agents from arbitrary exactions. In whatever aspect considered, the practice of making levies, for party purposes, upon the salaries of officers is highly degrading to the public service and dishonorable to the country. Though an officer should be as free as any other citizen to give his own money in aid of his opinions or his party, he should also be as free as any other citizen to refuse to make such gifts. If salaries are but a fair compensation for the time and labor of the officer, it is gross injustice to levy a tax upon them. If they are made excessive in order that they may bear the tax, the excess is an indirect robbery of the public funds.

I recommend, therefore, such a revision and extension of present statutes as shall secure to those in every grade of official life or public employment the protection with which a great and enlightened nation should guard those who are faithful in its service.

Our

RELATIONS WITH FOREIGN COUNTRIES

With Great Britain there are still unsettled questions, growing out of the local laws of the maritime provinces and the action of provincial authorities, deemed to be in derogation of rights secured by treaty to American fishermen. The United States minister in London has been instructed to present a demand for \$105,305.02, in view of the damages received by American citizens at Fortunate Bay on the 6th day of January, 1878. The subject has been taken into consideration by the British government, and an early reply is anticipated.

Upon the completion of the necessary preliminary examinations, the subject of our participation in the provincial fisheries, as regulated by treaty, will at once be brought to the attention of the British government with a view to an early and permanent settlement of the whole question, which was only temporarily adjusted by the treaty of Washington. Efforts have been made to obtain the removal of restrictions found injurious to the exportation of cattle to the United Kingdom. Some correspondence has also occurred with regard to the rescue and saving of life and property upon the lakes, which has resulted in important modifications of the previous regulations of the Dominion government on the subject, in the interest of humanity and commerce.

In accordance with the joint resolution of the last session of congress, commissioners were appointed to represent the United States at the TWO INTERNATIONAL EXHIBITIONS in Australia, one of which is now in progress at Sydney, and the other to be held next year at Melbourne. A desire has been expressed by our merchants and manufacturers interested in the important and growing trade with Australia, that an increased provision should be made by congress for the representation of our industries at the Melbourne exhibition of next year, and the subject is respectfully submitted to your favorable consideration.

The assent of the government has been given to the landing, on the coast of Massachusetts, of a new and independent transatlantic cable between France, by way of the French island of St. Pierre, and this country, subject to any future legislation of congress on the subject. The conditions imposed, before allowing this connection with our shores to be established, are such as to secure its competition with any existing or future lines of marine cable, and preclude amalgamation therewith, to provide for entire equality of rights to our government and people with those of France in the use of the cable, and prevent any exclusive possession of the privilege as accorded by France to the disadvantage of any future cable communication between France and the United States which may be projected and accomplished by our citizens. An important reduction of the present rates of cable communication with Europe, to be two hundred percent to the interests of our commerce, must necessarily flow from the establishment of this competing line.

The attention of congress was drawn to the propriety of some general regulation by congress of the whole subject of transmarine cables by my predecessor in his message of Dec. 7, 1875, and I respectfully submit to your consideration the importance of congressional action in this matter.

The questions of grave importance

with Spain, growing out of the incidents of the

CUBAN INSURRECTION

have been, for the most part, happily and honorably settled. It may reasonably be anticipated that the commission now sitting in Washington, for the decision of private cases in this connection, will soon be able to bring its labors to a conclusion. The long standing question of East Florida claims has lately been renewed as a subject of correspondence, and may possibly require a congressional action for its final disposition. A treaty with the Netherlands, with respect to consular rights and privileges, similar to those with other powers, has been signed and ratified, and the ratifications were exchanged on the 31st of July last. Negotiations for extradition treaties with the Netherlands and with Denmark are now in progress.

Some questions with Switzerland, in regard to pauper and convict emigrants, have arisen, but it is not doubted that they will be arranged upon a just and satisfactory basis. A question has also occurred with respect to an asserted claim by Swiss municipal authorities to exercise jurisdiction over persons and property of Swiss citizens naturalized in this country. It is possible this may require adjustment by treaty.

With the

GERMAN EMPIRE

Frequent questions arise in connection with the subjects of naturalization and expatriation; but the imperial government has constantly manifested a desire to strictly maintain and comply with all treaty stipulations in regard to them. In consequence of the omission of congress to provide for a diplomatic representative at Athens, the legation to Greece has been withdrawn. There is now no channel of diplomatic communication between the two countries, and the expediency of providing for one, in some form, is submitted to congress.

Relations with Austria, Russia, Italy, Portugal, Turkey and Belgium continue amicable, and marked by no incident of especial importance. A change of the personal head of the government of Egypt has taken place. No change, however, has occurred in the relations between Egypt and the United States. The action of the Egyptian government in presenting to the city of New York one of the ancient obelisks, which possess such historic interest, is highly appreciated as a generous mark of international regard. If prosperity should attend the enterprise of its transportation across the Atlantic, its erection in a conspicuous position in the chief commercial city of the nation will soon be accomplished.

The treaty recently made

between Japan and the United States

in regard to the revision of former commercial treaties it is now believed

will be followed by similar action on the part of other treaty powers. The attention of congress is again invited to the subject of the indemnity funds received some years since from Japan and China, which, with their accumulated interest, now amount to considerable sums. If any part of these funds is justly due to American citizens they should receive it promptly; and whatever money has been received by this government in excess of its subjects to the United States, with a dispassionate fairness, and to co-operate in such measures as may tend to prevent injurious consequences to the United States. The negotiations are still proceeding and will be pressed with diligence.

The government of

CHINA

has signified its willingness to consider the question of the emigration of its subjects to the United States with a dispassionate fairness, and to co-operate in such measures as may tend to prevent injurious consequences to the United States. The negotiations are still proceeding and will be pressed with diligence. A question having arisen between China and Japan about the Low Choo Islands, the United States Government has taken measures to inform those powers of its readiness to extend its good offices for the maintenance of peace, if they shall mutually deem it desirable, and find it practicable to avail themselves of the proffer.

It is a gratification to be able to announce that, through the judicious and energetic action of the military commanders of the two nations on each side of the Rio Grande, under the instructions of their respective governments, raids and depredations have greatly decreased, and in the localities where formerly most destructive have now almost wholly ceased. In view of this result, I entertain a confident expectation that the prevalence of quiet on the border will soon become so assured as to justify a modification of the present orders to our military commanders as to crossing the border, without encouraging such disturbances as would endanger the peace of the two countries.

The third installment of the

AWARD AGAINST MEXICO

under the claims' commission of July 4, 1868, was duly paid, and has been put in course of distribution in pursuance of the act of congress providing for the same. This satisfactory situation between the two countries leads me to anticipate an expansion of our trade with Mexico and an increased contribution of capital and industry by our people to the development of the great resources of that country. I earnestly commend to the wisdom of congress the provision of suitable legislation looking to this result.

Diplomatic intercourse with Colombia is again fully restored by the arrival of a minister from that country to the United States. This is especially fortunate in view of the fact that the question of an inter-oceanic canal has recently assumed a new and important aspect, and is now under discussion with the Central American countries through whose territory the canal, by the Nicaragua route, would have to pass. It is trusted that enlightened statesmanship on their part will see that the early prosecution of such a work will largely ensure to the benefit, not only of their own citizens and those of the United States, but of the commerce of the civilized world. It is not doubted that should the work be undertaken under the protective auspices of the United States, upon satisfactory concessions for the right of way, and its security, by the Central American governments, the capital for its completion would be readily furnished from this country and Europe, which might, failing such guarantees, prove inaccessible.

Diplomatic relations with Chili have also been strengthened by the reception of a minister from that country.

The war between Peru, Bolivia and Chili still continues. The United States have not deemed it proper to interpose in the matter, further than to convey to all the governments concerned, the assurance that the friendly offices of the government of the United States for the restoration of peace upon an honorable basis will be extended, in case the belligerents shall exhibit a readiness to accept them.

Cordial relations continue with Brazil and the Argentine Republic, and trade with those countries is improving. A provision for regular and more frequent mail communication, in our own ships, between the ports of this country and the nations of South America seems to me to deserve the attention of congress, as an essential precursor of an enlargement of our commerce with them, and an extension of our carrying trade.

A recent revolution in Venezuela has been followed by the establishment of a provisional government. This government has not yet been formally recognized, and it is deemed desirable to await the proposed action of the people, which is expected to give the sanction of constitutional forms.

A naval vessel has been sent to the Samoan Islands, to make surveys and take possession of the privileges ceded to the United States by Samoa, in the harbor of Pago Pago. A coaling station is to be established there, which will be convenient and useful to the United States vessels.

The subject of opening diplomatic

relations with

ROUMANIA AND SERBIA,

now become independent sovereignties, is at present under consideration, and is the subject of diplomatic correspondence.

There is a gratifying increase of trade with nearly all European and American countries, and it is believed that with judicious action in regard to its development it can and will be still more enhanced, and that American products and manufactures will find new and expanding markets. The reports of diplomatic and consular officers upon this subject, under the system now adopted, have resulted in obtaining much valuable information, which has been and will continue to be laid before congress and the public from time to time.

The third article of the treaty with Russia, of March 30, 1867, by which Alaska was ceded to the United States,

provides that the inhabitants of the ceded territory, with the exception of the civilized native tribes, shall be admitted to the enjoyment of all the rights of citizens of the United States, and shall be maintained and protected in the free enjoyment of their liberty, property, and religion. The uncivilized tribes are subject to such laws and regulations as the United States may from time to time adopt in regard to the aboriginal tribes of that country.

But the obligations of this treaty and the necessities of the people, require that some organized form of government over the territory of Alaska be adopted.

There appears to be no law for the arrest of persons charged with common-law offenses, such as assault, robbery and murder, and no magistrate authorized to issue or execute process in such cases. Serious difficulties have already arisen from the absence of this character, not only among the original inhabitants, but among citizens of the United States and other countries, who have engaged in mining, fishing, and other business operations within the territory. A bill authorizing the appointment of justices of the peace and constables, and the arrest and detention of persons charged with criminal offenses, and providing for an appeal to United States courts for the district of Oregon, in suitable cases, will, at a proper time, be submitted to congress.

The attention of congress is called to the annual report of the secretary of the treasury on the condition of the

PUBLIC FINANCES.

The ordinary revenues from all sources for the fiscal year ended June 30, 1879, were \$279,827,184.46; the ordinary expenditures for the same period were \$266,947,888.53; leaving a surplus revenue for the year of \$6,879,939.38.

The receipts for the present fiscal year, ending June 30, 1880, actual and estimated, are as follows: Actual receipts for the first quarter commencing July 1, 1879, \$79,843,663.61; estimated receipts for the remaining three-quarters of the year, \$293,156,336.39; total receipts for the current fiscal year, actual and estimated, \$289,000,000.

The expenditures for the same period will be, actual and estimated, as follows: For the quarter commencing July 1, 1879, actual expenditures, \$61,683,383.10; and for the remaining three-quarters of the year the expenditures are estimated at \$173,316,614.90—making the total expenditures \$264,000,000, and leaving an estimated surplus revenue for the year ending June 30, 1880, of \$24,000,000. The total receipts during the next fiscal year ending June 30, 1881, estimated according to existing laws, will be \$288,000,000; and the estimated ordinary expenditures for the same period will be \$278,097,364.39—leaving a surplus of \$9,902,635.61 for that year.

The large amount expended for arrears of pensions during the last and the present fiscal year, amounting to \$21,747,393.00, has prevented the application of the full amount required by law to the sinking fund for the current year; but these arrears having been substantially paid, it is believed that the sinking fund can hereafter be maintained without any change of existing law.

The secretary of war reports that the

WAR DEPARTMENT.

estimates for the fiscal year ending June 30, 1881, are \$40,380,428.08, the same being for a less sum of money than any annual estimate rendered to congress from that department during a period of at least twelve years.

He concurs with the general of the army in recommending such legislation as will authorize the enlistment of the full number of twenty-five thousand men for the line of the army, exclusive of the three thousand four hundred and sixty-three men required for detached duty, and therefore not available for service in the field.

He also recommends that congress be asked to provide by law for the disposition of a large number of abandoned military posts and reservations, which, though very valuable in themselves, have been rendered useless for military purposes by the advance of civilization and settlement.

He unites with the quartermaster-general in recommending that an appropriation be made for the construction of a cheap and perfectly fire-proof building for the safe storage of a vast amount of money accounts, vouchers, claims, and other valuable records now in the quartermaster-general's office, and exposed to great risk of total destruction by fire.

He also recommends, in conformity with the views of the judge-advocate-general, some declaratory legislation in reference to the military statute of limitations as applied to the crime of desertion.

In these several recommendations I concur.

The secretary of war further reports, that the work for the improvement of the south pass of the

MISSISSIPPI RIVER.

under contract with Mr. James B. Pads, made in pursuance of an act of congress, has been prosecuted during the past year with a greater measure of success in the attainment of results than during any previous year. The channel through the south pass, which, at the beginning of operations in June, 1875, had a depth of only seven and one-half feet of water, had, on the 8th of July, 1879, a minimum depth of twenty-six feet, having a width of not less than two hundred feet and a central depth of thirty feet. Purchments have been made in accordance with the statute, as the work progressed, amounting in the aggregate to \$1,250,000; and further payments will become due, as provided by the statute, in the event of success in maintaining the channel now secured.

The reports of the general of the army and of his subordinates, present a full and detailed account of the military operations for the suppression of hostilities among the In-

dians of the Ute and Apache tribes, and praise is justly awarded to the officers and troops engaged for promptness, skill, and courage displayed.

The past year has been one of almost unbroken peace and quiet on the MEXICAN FRONTIER.

and there is reason to believe that the efforts of this government and of Mexico, to maintain order in that region, will prove permanently successful.

This department was enabled during the past year to find temporary though crowded accommodations, and a safe deposit for a portion of its records, in the completed east wing of the building, designed for the state, war, and navy departments. The construction of the north wing of the building, a part of the structure intended for the use of the war department, is being carried forward with all possible dispatch, and the work should receive from congress such liberal appropriations as will secure its speedy completion.

The report of the secretary of THE NAVY.

shows continued improvement in that branch of the service during the last fiscal year. Extensive repairs have been made upon vessels, and two new ships have been completed and made ready for sea.

The total expenditures of the year ending June 30, 1879, including specific appropriations not estimated for by the department, were \$13,655,710.03. The expenses chargeable to the year, after deducting the amount of these specific appropriations, were \$13,243,317.70; but this is subject to a reduction of \$233,726.99, that amount having been drawn upon warrants, but not paid, during the year. The amount of the appropriations applicable to the last fiscal year was \$13,538,646.17. There was, therefore, a balance of \$1,479,054.37 remaining unexpended, and to the credit of the department, on June 30, 1879. The estimates for the fiscal year ending June 30, 1881, are \$14,864,147.96, which exceeds the appropriations for the present fiscal year \$661,897.28. The reason for this increase is explained in the secretary's report. The appropriations available for the present fiscal year are \$14,592,250.67, which, in the opinion of the secretary, answer all the ordinary demands of the service. The amount drawn from the treasury from July 1 to Nov. 1, 1879, was \$6,770,404.12, of which \$1,095,440.33 has been refunded, leaving as the expenditure for that period \$4,674,963.79. If the expenditures of the remaining two-thirds of the year do not exceed the proportion for these four months, there will remain unexpended, at the end of the year, \$477,359.30 of the current appropriations.

The report of the secretary shows the gratifying fact that among all the disbursing officers of the pay corps of the navy there is not one who is a defaulter to the extent of a single dollar. I unite with him in recommending the removal of the observatory to a more healthful location. That institution reflects credit upon the nation, and has obtained the approbation of scientific men in all parts of the world. Its removal from its present location would not only be conducive to the health of its officers and professors, but would greatly increase its usefulness.

The appropriation for judicial expenses, which has heretofore been made for the

DEPARTMENT OF JUSTICE.

in gross, was subdivided at the last session of congress, and no appropriations whatever was made for the payment of the fees of marshals and their deputies, either in the service of process or for the discharge of other duties, without compensation from the government, taking upon themselves the necessary incidental outlays, as well as rendering their own services. In only a few unavoidable instances, has the proper execution of the process of the United States failed by reason of the absence of the requisite appropriation. This course of official conduct on the part of these officers, highly creditable to their fidelity, was advised by the attorney-general, who informed them, however, that they would necessarily have to rely for their compensation upon the prospect of future legislation by congress. I therefore especially recommend that immediate appropriation be made by congress for this purpose.

The act making the principal appropriation for the department of justice at previous sessions has uniformly contained the following clause: "And for defraying the expenses which may be incurred in the enforcement of the act approved Feb. 28, 1870, entitled 'An act to amend an act approved May 16, 1850, entitled 'An act to enforce the right of citizens of the United States to vote in the several states of the United States, and for other purposes,' or any acts amendatory thereof or supplementary thereto.'"

No appropriation was made for this purpose for the current year. As no general election for members of congress occurred, the omission was a matter of little practical importance. Such election will, however, take place during the ensuing year, and the appropriation made for the pay of marshals and deputies should be sufficient to embrace compensation for the services they may be required to perform at such elections.

The business of the

SUPREME COURT.

is, at present, largely in arrears. It cannot be expected that more causes can be decided than are now disposed of in its annual session, or that by any assiduity the distinguished magistrates who compose the court can accomplish more than is now done. In the courts of many of the circuits, also, the business has increased to such an extent, that the delay of justice will call the attention of congress to an appropriate remedy. It is believed that all is done in each circuit which can fairly be expected from its judicial force. The evils arising from delay are less heavily felt by the United States than by the private suitors, as its causes are advanced by the courts when it is seen that they involve the discussion of questions of public character. The remedy suggested by the attorney-general, is the appointment of

additional circuit judges, and the creation of an intermediate court of errors and appeals, which shall relieve the supreme court of a part of its jurisdiction, while a larger force is also obtained for the performance of circuit duties.

I commend this suggestion to the consideration of congress. It would afford a complete remedy, and would involve, if ten additional circuit judges are appointed, an expenditure, at the present rate of salaries, of not more than \$60,000 a year, which would certainly be small in comparison with the objects to be attained.

The report of the

POSTMASTER GENERAL bears testimony to the general revival of business throughout the country. The receipts of the postoffice department for the fiscal year ended June 30, 1879, were \$30,041,392.86, being \$764,468.91 more than the revenues of the preceding year. The amount realized from the sale of postage stamps, stamped envelopes and postal cards, was \$764,468.91 more than in the preceding year, and \$2,387,559.28 more than in 1877. The expenditures of the department were \$33,449,899.45, of which the sum of \$376,461.98 was paid on liabilities incurred in preceding years.

The expenditures during the year were \$301,209.77 less than in the preceding year. This reduction is to be attributed mainly to the operation of the law passed June 17, 1878, changing the compensation of postmasters from a commission on the value of stamps sold, to a commission on stamps cancelled.

The amount drawn from the treasury on appropriations in addition to the revenues of the department was \$3,031,454.96, being \$2,276,197.56 less than in the preceding year.

The expenditures for the fiscal year ending June 30, 1881, are estimated at \$39,920,900, and the receipts from all sources at \$42,210,000, leaving a deficiency to be appropriated for, out of the treasury, of \$7,170,900.

The relations of the department with railroad companies have been harmonized, notwithstanding the general reduction by congress of their compensation, by the appropriation for special facilities, and the railway postoffice lines have been greatly extended, especially in the southern states. The interests of the railway mail service and of the public would be greatly promoted, and the expenditures could be more readily controlled by the classification of the employees of the railway mail service as recommended by the postmaster general, the appropriation for salaries, with respect to which the maximum limit is already fixed by law, to be made in gross.

The postmaster general recommends an amendment of the law regulating the increase of compensation for increased service and increased speed on star routes, so as to enable him to advertise for proposals for such increased service and speed. He also suggests the advantage to accrue to the commerce of the country from the enactment of a general law authorizing contracts with American built steamers, carrying the American flag, for transporting the mail between ports of the United States and ports of the West Indies and South America, a fixed maximum price per mile, the amount to be expended being regulated by annual appropriations, in like manner with the amount paid for the domestic star service.

The arrangement made by the postmaster-general and the secretary of the treasury for the collection of duty upon books received in the mail from foreign countries, has proved so satisfactory in its practical operation that the recommendation is now made, that congress shall extend the provisions of the act of March 3, 1879, under which this arrangement was made, so as to apply to all other dutiable articles received in the mails from foreign countries.

The reports of the secretary of

THE INTERIOR.

and of the commissioner of Indian affairs, setting forth the present state of our relations with the Indian tribes on our territory, the measures taken to advance their civilization and prosperity, and the progress already achieved by them, will be found of more than ordinary interest. The general conduct of our Indian population has been so satisfactory that the occurrence of two disturbances, which resulted in bloodshed and destruction of property, is all the more to be lamented.

The history of the outbreak on the White River Ute reservation in western Colorado has become so familiar by elaborate reports in the public press, that its remarkable incidents need not be stated here in detail. It is expected that the settlement of this difficulty will lead to such arrangements as will prevent further hostile contact between the Indians and the border settlements in western Colorado.

The other disturbance occurred at the Mesquero agency, in New Mexico, where Victorio, the head of a small band of marauders, after committing many atrocities, being vigorously chased by a military force, made his way across the Mexican border and is now on foreign soil.

While these occurrences, in which a comparatively small number of Indians were engaged, are most deplorable, a vast majority of our

INDIAN POPULATION.

have fully justified the expectations of those who believe that by humane and powerful influences the Indian can be led to abandon the habits of savage life and to develop a capacity for useful and civilized occupations. What they have already accomplished in the pursuit of agricultural and mechanical work, the remarkable success which has attended the experiment of employing as freighters a class of Indians hitherto counted among the wildest and most intractable, and the general and urgent desire expressed by them for the education of their children may be taken as sufficient proof that they will be found capable of accomplishing much more if they continue to be wisely and fairly guided. The "Indian

policy" sketched in the report of the secretary of the interior, the object of which is to make liberal provision for the education of Indian youth, to settle the Indians upon farm-lands in severalty, to give them title in fee to their farms, inalienable for a certain number of years, and when their wants are thus provided for, to dispose by sale of the lands on

which they have

not occupied and used by them; a fund to be formed out of the proceeds for the benefit of the Indians, which will gradually relieve the government of the expenses now provided for by annual appropriations; must commend itself as just and beneficial to the Indians, and as also calculated to remove those obstructions which the existence of large reservations presents to the settlement and development of the country. I therefore earnestly recommend the enactment of a law enabling the government to give Indians a title in fee, inalienable for twenty-five years, to the farm lands assigned to them by allotment. I also repeat the recommendation made in my first annual message, that laws be passed admitting Indians who can give satisfactory proof of having, by their own labor, supported their families for a number of years, and who are willing to detach themselves from their tribal relations, to the benefit of the homestead act, and to grant them patents containing the same provision of inalienability for a certain period.

The experiment of sending a number

INDIAN CHILDREN.

of both sexes, to the Hampton Normal and Agricultural Institute, in Virginia, to receive an elementary English education and practical instruction in farming and other useful industries, has led to results so promising that it was thought expedient to turn over the cavalry barracks at Carlisle, in Pennsylvania, to the interior department for the establishment of an Indian school on a larger scale. This school has now one hundred and fifty-eight pupils, selected from various tribes, and is in full operation. Arrangements are also made for the education of a number of Indian boys and girls belonging to tribes on the Pacific slope, in a similar manner, at Forest Grove, in Oregon. These institutions will commend themselves to the liberality of congress, and to the philanthropic magnificence of the American people.

Last spring, information was received of the organization of an extensive movement in the Western States, the object of which was the occupation by

UNAUTHORIZED PERSONS.

of certain lands in the Indian Territory ceded by the Cherokees to the government for the purpose of settlement by other Indian tribes.

On the 29th day of April, I issued a proclamation warning all persons against participation in such an attempt, and, by the co-operation of a military force, the invasion was promptly checked. It is my purpose to protect the rights of the Indian inhabitants of that territory to the full extent of the executive power. But it would be unwise to ignore the fact that a territory so large and so fertile, with a population so sparse and with so great a wealth of unused resources, will be found more exposed to the repetition of such attempts as happened this year, when the surrounding states are more densely settled, and the westward movement of our population looks still more eagerly for fresh lands to occupy. Under such circumstances the difficulty of maintaining the Indian Territory in its present state will greatly increase, and the Indian tribes inhabiting it would do well to prepare for such a contingency. I, therefore, fully approve of the advice given to them by the secretary of the interior on a recent occasion, to divide among themselves in severalty as large a quantity of their lands as they can cultivate, to

ACQUIRE INDIVIDUAL TITLE.

in fee, instead of their present tribal ownership in common, and to consider in what manner the balance of their lands may be disposed of by the government for their benefit. By adopting such a policy they would more certainly secure for themselves the values of their possessions, and at the same time promote their progress in civilization and prosperity, than by endeavoring to perpetuate the present state of things in the territory.

The question whether a change in the control of the Indian service should be made, was in the forty-fifth congress referred to a joint committee of both houses for inquiry and report. In my last annual message I expressed the hope that the decision of that question, then in prospect, "would arrest further agitation of this subject, such agitation being apt to produce a disturbing effect upon the service as well as the Indians themselves." Since then, the committee having reported, the question has been decided in the negative by a vote in the house of representatives.

For the reasons here stated, and in view of the fact that further uncertainty on this point will be calculated to obstruct other much-needed legislation, to weaken the discipline of the service, and unsettle military measures now in progress for the government and improvement of the Indians, I respectfully recommend that the decision arrived at by congress at its last session be permitted to stand.

The efforts made by the department of the interior to arrest the

DEPREDACTIONS ON THE TIMBER LANDS.

of the United States have been continued, and have met with considerable success. A large number of cases of trespass have been prosecuted in the courts of the United States; others have been settled, the trespassers offering to make payment to the government for the value of the timber taken by them. The proceeds of these prosecutions and settlements turned into the treasury, far exceed in amount the sums appropriated by congress for this purpose. A more important result, however, consists in the fact that the destruction of our public forests by depredation, although such cases still occur, has been greatly reduced in extent, and it is probable that if the present policy is vigorously pursued and sufficient provision to that end is made by congress, such trespasses, at least those on a large scale, can be entirely suppressed, except in the territories where timber for the daily requirements of the population cannot, under the present state of the law, be

otherwise obtained. I therefore earnestly invite the attention of congress to the recommendation made by the secretary of the interior, that a law be enacted enabling the government to sell timber from the public lands without encroaching the fee, where such lands are principally valuable for the timber thereon, such sales to be so regulated as to conform to domestic wants and business requirements, while at the same time guarding against a sweeping destruction of the forests. The enactment of such a law appears to become a more pressing necessity every day.

My recommendations in former messages are renewed in favor of enlarging the facilities of the

DEPARTMENT OF AGRICULTURE.

Agriculture is the leading interest and the permanent industry of our people. It is the abundance of agricultural production, as compared with our home consumption, and the largely increased and highly profitable market abroad which we have enjoyed in recent years, that we are mainly indebted for our present prosperity as a people. We must look for its continued maintenance to the same substantial resource. There is no branch of industry in which labor, directed by scientific knowledge, yields such increased production in comparison with unskilled labor, and no branch of the public service which the encouragement of liberal appropriations can be more appropriately extended. The omission to render such aid is not a wise economy; but, on the contrary, undoubtedly results in losses of immense sums annually that might be saved through well-directed efforts by the government to promote this vital interest.

The results already accomplished with the very limited means heretofore placed at the command of the department of agriculture is an earnest of what may be expected with increased appropriations for the several purposes indicated in this report of the commissioner, with a view of placing the department upon a footing which will enable it to prosecute more effectively the objects for which it is established.

Appropriations are needed for a more complete laboratory, for the establishment of a veterinary division, and a division of forestry, and for an increase of force.

The requirements for these and other purposes, indicated in the report of the commissioner under the head of the immediate necessities of the department, will not involve any expenditure of money that the country cannot with propriety now undertake in the interests of agriculture.

It is gratifying to learn from the bureau of education to the extent to which educational privileges throughout the United States have been advanced during the year. No more fundamental responsibility rests upon congress than that of providing appropriate measures of financial aid to education, supplemental to local action in the states and territories, and in the

DISTRICT OF COLUMBIA.

The wise forethought of the founders of our government has not only furnished the basis for the support of the common school systems of the newer states, but laid the foundations for the maintenance of their universities and colleges of agriculture and the mechanic arts. Measures in accordance with this traditional policy for the further benefit of all these schools, and the extension of the same advantages to every portion of the country, it is hoped will receive your favorable consideration.

To preserve and perpetuate the national literature should be among the foremost cares of the national legislature. The library gathered at the capitol still remains unprovided with any suitable accommodations for its rapidly increasing stores. The magnitude and importance of the collection, increased as it is by the deposits made under the law of copyright, by domestic and foreign exchanges, and by the scientific library of the Smithsonian Institution, call for building accommodations which shall be at once adequate and fire-proof. The location of such a public building, which should provide for the pressing necessities of the present, and for the vast increase of the nation's books in the future, is a matter which addresses itself to the discretion of congress. It is earnestly recommended as a measure which should unite all suffrages, and which should no longer be delayed.

JOINT COMMISSION.

created by the act of congress of August 2nd, 1876, for the purpose of supervising and directing the completion of the Washington national monument, of which commission the president is a member, has given careful attention to this subject, and already the strengthening of the foundation for this national monument to insure the entire success of this part of the work. A massive layer of masonry has been introduced below the original foundation, widening the base, increasing the stability of the structure, and rendering it possible to carry the shaft to completion. It is earnestly recommended that such further appropriation be made for the continued prosecution of the work as may be necessary for the completion of this national monument as early as possible.

In former messages, impressed with the importance of the subject, I have taken occasion to commend to congress the adoption of a general policy towards the District of Columbia. The report of the commissioners of the district, herewith transmitted, contains suggestions and recommendations, to all of which I earnestly invite your careful attention. I ask your early and favorable consideration of the views which they express in the urgent need of legislation for the reclamation of the marshes of the Potomac and its eastern branch within the limits of the city, and for the repair of streets of the capital, heretofore laid with wooden blocks, and now by decay rendered almost impassable, and a source of imminent danger to the health of its citizens. The means at the disposal of the commissioners are wholly inadequate for the accomplishment of these important works, and should be supplemented by early appropriations from the federal treasury.

The filling of the flats in front of the city will add to the adjacent lands and parks now owned by the United States, a large and valuable domain, sufficient, it is thought, to reimburse its entire cost, and will also, as an incidental result, secure the permanent improvement of the river for the purpose of navigation.

The constitution having invested congress with supreme and exclusive jurisdiction over the District of Columbia, its citizens must of necessity look to congress alone for all useful legislation affecting their interests; and as the territory of this district is the common property of the people of the United States, who, equally with its resident citizens, are interested in the prosperity of their capital, I cannot doubt but that you will be amply satisfied by the general view of the country in my measures you may adopt for this purpose.

The invitation to favor the consideration of congress to the wants of the

FOR SALE.

Two Valuable Farms and Sawmill, in Elletts River township, Allen county, Indiana.

I offer for sale my two farms and sawmill, located in Joseph (Griffin), near Warsaw, Ind., about five miles from Fort Wayne. One farm contains one hundred and twenty acres and the other eighty acres. Sawmill track contains three miles.

PRICE VERY LOW.

For particulars enquire of Messrs. Nink & Sons, Fort Wayne, or Messrs. R. B. Chaffin, Richmond, Va.

TURKEYS.

Dressed Turkeys 11 cents per pound. Dressed Chickens 8 cents per pound.

RICH'S MEAT MARKET,

17 West Berry Street.

The "Little Detective" is a small, handy, and reliable book, containing a full and complete list of the names of the principal cities, towns, and villages in the United States, with the names of the principal streets, and the names of the principal public buildings, and the names of the principal churches, and the names of the principal schools, and the names of the principal hospitals, and the names of the principal libraries, and the names of the principal museums, and the names of the principal parks, and the names of the principal gardens, and the names of the principal public squares, and the names of the principal public places, and the names of the principal public buildings, and the names of the principal churches, and the names of the principal schools, and the names of the principal hospitals, and the names of the principal libraries, and the names of the principal museums, and the names of the principal parks, and the names of the principal gardens, and the names of the 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provides that the inhabitants of the ceded territory, with the exception of the civilized native tribes, shall be admitted to the enjoyment of all the rights of citizens of the United States, and shall be maintained and protected in the free enjoyment of their liberty, property, and religion. The uncivilized tribes are subject to such laws and regulations as the United States may from time to time adopt in regard to the aboriginal tribes of that country.

But the obligations of this treaty and the necessities of the people, require that some organized form of government over the territory of Alaska be adopted.

There appears to be no law for the arrest of persons charged with common-law offenses, such as assault, robbery and murder, and no magistrate authorized to issue or execute process in such cases. Serious difficulties have already arisen from offenses of this character, not only among the original inhabitants, but among citizens of the United States and other countries, who have engaged in mining, fishing, and other business operations within the territory. A bill authorizing the appointment of justices of the peace and constables, and the arrest and detention of persons charged with criminal offenses, and providing for an appeal to United States courts for the district of Oregon, in suitable cases, will, at a proper time, be submitted to congress.

The attention of congress is called to the annual report of the secretary of the treasury on the condition of the

PUBLIC FINANCES.

The ordinary revenues from all sources for the fiscal year ending June 30, 1879, were \$273,827,184.46; the ordinary expenditures for the same period were \$266,947,883.59, leaving a surplus revenue for the year of \$6,879,300.93.

The receipts for the present fiscal year, ending June 30, 1880, actual and estimated, are as follows: Actual receipts for the first quarter, commencing July 1, 1879, \$70,343,666.61; estimated receipts for the remaining three-quarters of the year, \$208,136,336.39; total receipts for the current fiscal year, actual and estimated, \$278,480,003.

The expenditures for the same period will be, actual and estimated, as follows: For the quarter commencing July 1, 1879, actual expenditures, \$91,633,385.10; and for the remaining three-quarters of the year the expenditures are estimated at \$172,316,614.90—making the total expenditures \$264,000,000, and leaving an estimated surplus revenue for the year ending June 30, 1880, of \$24,000,000. The receipts during the next fiscal year, ending June 30, 1881, estimated according to existing laws, will be \$288,000,000, and the estimated ordinary expenditures for the same period will be \$278,097,364.39—leaving a surplus of \$9,902,635.61 for that year.

The large amount expended for arrears of pensions during the last and the present fiscal year, amounting to \$21,747,249.60, has prevented the application of the full amount required by law to the sinking fund for the current year; but these arrears having been substantially paid, it is believed that the sinking fund can hereafter be maintained without any change of existing law.

The secretary of war reports that the

WAR DEPARTMENT.

estimates for the fiscal year ending June 30, 1881, are \$40,380,128.93, the same being for a less sum of money than any annual estimate rendered to congress from that department during a period of at least twelve years.

He concurs with the general of the army in recommending such legislation as will authorize the enlistment of the full number of twenty-five thousand men for the line of the army, exclusive of the three thousand four hundred and sixty-three men required for detached duty, and therefore not available for service in the field.

He also recommends that congress be asked to provide by law for the disposition of a large number of abandoned military posts and reservations, which, though very valuable in themselves, have been rendered useless for military purposes by the advance of civilization and settlement.

He unites with the quartermaster-general in recommending that an appropriation be made for the construction of a cheap and perfectly fire-proof building for the safe storage of a vast amount of money accounts, vouchers, claims, and other valuable records now in the quartermaster-general's office, and exposed to great risk of total destruction by fire.

He also recommends, in conformity with the views of the judge-advocate-general, some declaratory legislation in reference to the statute of limitations as applied to the crime of desertion.

In these several recommendations I concur.

The secretary of war further reports, that the work for the improvement of the south pass of the

MISSISSIPPI RIVER.

under contract with Mr. James B. Fads, made in pursuance of an act of congress, has been prosecuted during the past year with a greater measure of success in the attainment of results than during any previous year. The channel through the south pass, which, at the beginning of operations in June, 1878, had a depth of only seven and one-half feet of water, had, on the 8th of July, 1879, a minimum depth of twenty-six feet, having a depth of not less than two hundred feet at a central depth of thirty feet. Payments have been made in accordance with the statute, as the work progressed, amounting in the aggregate to \$1,250,000; and further payments will become due, as provided by the statute, in the event of success in maintaining the channel now secured.

The reports of the general of the army and of his subordinates, present a full and detailed account of the military operations for the suppression of hostilities among the In-

dians of the Ute and Apache tribes, and praise is justly awarded to the officers and troops engaged for promptness, skill, and courage displayed.

The past year has been one of almost unbroken peace and quiet on the MEXICAN FRONTIER.

and there is reason to believe that the efforts of this government and of Mexico, to maintain order in that region, will prove permanently successful.

This department was enabled during the past year to find temporary though crowded accommodations, and a safe depository for a portion of its records, in the completed east wing of the building, designed for the state, war, and navy departments. The construction of the north wing of the building, a part of the structure intended for the use of the war department, is being carried forward with all possible dispatch, and the work should receive from congress such liberal appropriations as will secure its speedy completion.

The report of the secretary of

THE NAVY.

shows continued improvement in that branch of the service during the last fiscal year. Extensive repairs have been made upon vessels, and two new ships have been completed and made ready for sea.

The total expenditures of the year ending June 30, 1879, including specific appropriations not estimated for by the department, were \$13,555,710.09. The expenses chargeable to the year, after deducting the amount of these specific appropriations, were \$13,343,317.79; but this is subject to a reduction of \$233,725.99, that amount having been drawn upon warrants, but not paid out during the year. The amount of the appropriations applicable to the last fiscal year was \$14,538,646.17. There was, therefore, a balance of \$1,479,004.37 remaining unexpended, and to the credit of the department, on June 30, 1879. The estimates for the fiscal year ending June 30, 1881, are \$14,864,147.95, which exceeds the appropriations for the present fiscal year \$361,897.28. The reason for this increase is explained in the secretary's report. The appropriations available for the present fiscal year are \$14,502,250.67, which will, in the opinion of the secretary, answer all the ordinary demands of the service. The amount drawn from the treasury from July 1 to Nov. 1, 1879, was \$5,770,404.12, of which \$1,095,440.33 has been refunded, leaving as the expenditure for that period \$4,674,963.79. If the expenditures of the remaining two-thirds of the year do not exceed the proportion for these four months, there will remain unexpended, at the end of the year, \$4,779,599.30 of the current appropriations. The report of the secretary shows the gratifying fact that among all the disbursing officers of the pay corps of the navy there is not one who is a defaulter to the extent of a single dollar. I unite with him in recommending the removal of the observatory to a more healthful location. That institution reflects credit upon the nation, and has obtained the approbation of scientific men in all parts of the world. Its removal from its present location would not only be conducive to the health of its officers and professors, but would greatly increase its usefulness.

The appropriation for judicial expenses, which has heretofore been made for the

DEPARTMENT OF JUSTICE

in gross, was subdivided at the last session of congress, and no appropriations whatever was made for the payment of the fees of marshals and their deputies, either in the service of process or for the discharge of other duties, without compensation from the government, taking upon themselves the necessary incidental outlays, as well as rendering their own services. In only a few unavoidable instances, has the proper execution of the process of the United States failed by reason of the absence of the requisite appropriation. This course of official conduct on the part of these officers, highly creditable to their fidelity, was advised by the attorney-general, who informed them, however, that they would necessarily have to rely for their compensation upon the prospect of future legislation by congress. I therefore especially recommend that immediate appropriation be made by congress for this purpose.

The act making the principal appropriation for the department of justice at previous sessions has uniformly contained the following clause:

"And for defraying the expenses which may be incurred in the enforcement of the act approved Feb. 28, 1870, entitled 'An act to amend an act approved May 10, 1870, entitled 'An act to enforce the right of citizens of the United States to vote in the several States of the United States, and for other purposes,' or any acts amendatory thereof or supplementary thereto.'"

No appropriation was made for this purpose for the current year. As no general election for members of congress occurred, the commission was a matter of little practical importance. Such election will, however, take place during the ensuing year, and the appropriation made for the pay of marshals and deputies should be sufficient to embrace compensation for the services they may be required to perform at such elections.

The business of the

SUPREME COURT.

is, at present, largely in arrears. It cannot be expected that more causes can be decided than are now disposed of in its annual session, or that by any assiduity the distinguished magistrates who compose the court can accomplish more than is now done. In the courts of many of the circuits, also, the business has increased to such an extent, that the delay of justice will call the attention of congress to an appropriate remedy. It is believed that all is done in each circuit which can fairly be expected from its judicial force. The evils arising from delay are less heavily felt by the United States than by the private suitors, as its causes are advanced by the courts when it is seen that they involve the discussion of questions of public character.

The remedy suggested by the attorney-general, is the appointment of

additional circuit judges, and the creation of an intermediate court of error and appeals, which shall relieve the supreme court of a part of its jurisdiction, while a larger force is also obtained for the performance of circuit duties.

I commend this suggestion to the consideration of congress. It would seem to afford a complete remedy, and would involve, if ten additional circuit judges are appointed, an expenditure, at the present rate of salaries, of not more than \$600,000 a year, which would certainly be small in comparison with the objects to be attained.

The report of the

POSTMASTER GENERAL.

bears testimony to the general revival of business throughout the country. The receipts of the postoffice department for the fiscal year ending June 30, 1879, were \$30,041,982.86, being \$764,465.91 more than the revenues of the preceding year. The amount realized from the sale of postage stamps, stamped envelopes and postal cards, was \$764,465.91 more than in the preceding year, and \$2,387,559.23 more than in 1877. The expenditures of the department were \$33,449,899.45, of which the sum of \$376,461.83 was paid on liabilities incurred in preceding years.

The expenditures during the year were \$301,209.77 less than in the preceding year. This reduction is to be attributed mainly to the operation of the law passed June 17, 1878, changing the compensation of postmasters from a commission on the value of stamps sold, to a commission on stamps cancelled.

The amount drawn from the treasury on appropriations in addition to the revenues of the department was \$3,031,454.96, being \$2,276,197.86 less than in the preceding year.

The expenditures for the fiscal year ending June 30, 1881, are estimated at \$39,920,900, and the receipts from all sources at \$32,210,000, leaving a deficiency to be appropriated for, out of the treasury, of \$7,710,900.

The relations of the department with railroad companies have been harmonized, notwithstanding the general reduction by congress of their compensation, by the appropriation for special facilities, and the railway postoffice lines have been greatly extended, especially in the southern states. The interests of the railway mail service and of the public would be greatly promoted, and the expenditures could be more readily controlled by the classification of the employees of the railway mail service as recommended by the postmaster general, the appropriation for salaries, with respect to which the maximum limit is already fixed by law, to be made in gross.

The postmaster general recommends an amendment of the law regulating the increase of compensation for increased service and increased speed on star routes, so as to enable him to advertise for proposals for such increased service and speed. He also suggests the advantage to accrue to the commerce of the country from the enactment of a general law authorizing contracts with American built steamers, carrying the American flag, for transporting the mail between ports of the United States and South America, a fixed maximum price per mile, the amount to be expended being regulated by annual appropriations, in like manner with the amount paid for the domestic star service.

The arrangement made by the postmaster-general and the secretary of the treasury for the collection of duty upon books received in the mail from foreign countries, has proved so satisfactory in its practical operation that the recommendation is now made, that congress shall extend the provisions of the act of March 3, 1879, under which this arrangement was made, so as to apply to all other dutiable articles received in the mails from foreign countries.

The reports of the secretary of

THE INTERIOR

and of the commissioner of Indian affairs, setting forth the present state of our relations with the Indian tribes on our territory, the measures taken to advance their civilization and prosperity, and the progress already achieved by them, will be found of more than ordinary interest. The general conduct of our Indian population has been so satisfactory, that the occurrence of two disturbances, which resulted in bloodshed and destruction of property, is all the more to be lamented.

The history of the outbreak on the White River Ute reservation in western Colorado has become so familiar by elaborate reports in the public press, that its remarkable incidents need not be stated here in detail. It is expected that the settlement of this difficulty will lead to such arrangements as will prevent further hostile contact between the Indians and the border settlements in western Colorado.

The other disturbance occurred at the Mesquero agency, in New Mexico, where Victorio, the head of a small band of marauders, after committing many atrocities, being vigorously chased by a military force, made his way across the Mexican border and is now on foreign soil.

While these occurrences, in which a comparatively small number of Indians were engaged, are most deplorable, a vast majority of our

INDIAN POPULATION

have fully justified the expectations of those who believe that by humane and peaceful influences the Indian can be led to abandon the habits of savage life and to develop a capacity for useful and civilized occupations. What they have already accomplished in the pursuit of agricultural and mechanical work, the remarkable success which has attended the experiment of employing as freighters a class of Indians hitherto counted among the wildest and most intractable, and the general and urgent desire expressed by them for the education of their children may be taken as sufficient proof that they will be found capable of accomplishing much more if they continue to be wisely and fairly guided. The Indian

policy" sketched in the report of the secretary of the interior, the object of which is to make liberal provision for the education of Indian youth, to settle the Indians upon farm-lands in severalty, to give them title in fee to their farms, inalienable for a certain number of years, and when their wants are thus provided for, to dispose by sale of the lands on

THEIR RESERVATIONS.

not occupied and used by them, a fund to be formed out of the proceeds for the benefit of the Indians, which will gradually relieve the government of the expense now provided for by annual appropriations; must commend itself as just and beneficial to the Indians, and as also calculated to remove those obstructions which the existence of large reservations presents to the settlement and development of the country. I therefore earnestly recommend the enactment of a law enabling the government to give Indians a title in fee, inalienable for twenty-five years, to the farm lands assigned to them by allotment. I also repeat the recommendation made in my first annual message, that a law be passed admitting Indians who can give satisfactory proof of having, by their own labor, supported their families for a number of years, and who are willing to detach themselves from their tribal relations, to the benefit of the homestead act, and to grant them patents containing the same provision of inalienability for a certain period. The experiment of sending a number

of INDIAN CHILDREN,

of both sexes, to the Hampton Normal and Agricultural Institute, in Virginia, to receive an elementary English education and practical instruction in farming and other useful industries, has led to results so promising that it was thought expedient to turn over the cavalry barracks at Carlisle, in Pennsylvania, to the interior department for the establishment of an Indian school on a larger scale. This school has now one hundred and fifty-eight pupils, selected from various tribes, and is in full operation. Arrangements are also made for the education of a number of Indian boys and girls belonging to tribes on the Pacific slope in a similar manner at Forest Grove, in Oregon. These institutions will commend themselves to the liberality of congress, and to the philanthropic munificence of the American people.

Last spring, information was received of the organization of an extensive movement in the Western States, the object of which was the occupation by

UNAUTHORIZED PERSONS

of certain lands in the Indian Territory ceded by the Cherokees to the government for the purpose of settlement by other Indian tribes.

On the 20th day of April, I issued a proclamation warning all persons against participation in such an attempt, and, by the co-operation of a military force, the invasion was promptly checked. It is my purpose to protect the rights of the Indian inhabitants of that territory to the full extent of the executive power. But it would be unwise to ignore the fact that a territory so large and so fertile, with a population so sparse and with so great a wealth of unused resources, will be found more exposed to the repetition of such attempts to happen this year, when the surrounding states are more densely settled, and the westward movement of our population looks still more eagerly for fresh lands to occupy. Under such circumstances the difficulty of maintaining the Indian Territory in its present state will greatly increase, and the Indian tribes inhabiting it would do well to prepare for such a contingency. I, therefore, fully agree with the recommendation of the secretary of the interior on a recent occasion, to divide among themselves in severalty as large a quantity of their lands as they can cultivate, to

ACQUIRE INDIVIDUAL TITLE

in fee, instead of their present tribal ownership in common, and to consider in what manner the balance of their lands may be disposed of by the government for their benefit. By adopting such a policy they would more certainly secure for themselves the value of their possessions, and at the same time promote their progress in civilization and prosperity, than by endeavoring to perpetuate the present state of things in the territory.

The question whether a change in the control of the Indian service should be made, was in the forty-fifth congress referred to a joint committee of both houses for inquiry and report. In my last annual message I expressed my hope that the decision of that question, then in prospect, "would arrest further agitation of this subject, such agitation being apt to produce a disturbing effect upon the service as well as the Indians themselves." Since then, the committee having reported, the question has been decided in the negative by a vote in the house of representatives.

For the reasons here stated, and in view of the fact that further uncertainty on this subject would have a tendency to obstruct other much-needed legislation, to weaken the discipline of the service, and unsettle salutary measures now in progress for the government and improvement of the Indians, I respectfully recommend that the decision arrived at by congress at its last session be permitted to stand.

The efforts made by the department of the interior to arrest the

DEPREDATIONS ON THE TIMBER LANDS

of the United States have been continued, and have met with considerable success. A large number of cases of trespass have been prosecuted in the courts of the United States; others have been settled, the trespassers offering to make payment to the government for the value of the timber taken by them. The proceeds of these prosecutions, and the interest on the sums of money advanced by the treasury, far exceed in amount the sums appropriated by congress for this purpose. A more important result, however, consists in the fact that the destruction of our public forests by depredations, although such cases still occur, has been greatly reduced in extent, and it is probable that if the present policy is vigorously pursued and sufficient provision to that end is made by congress, such trespasses, at least those on a large scale, can be entirely suppressed, except in the territories where timber for the daily requirements of the population cannot, under the present state of the law, be

otherwise obtained. I therefore earnestly invite the attention of congress to the recommendation made by the secretary of the interior, that a law be enacted, enabling the government to sell timber from the public lands without conveying the fee, where such lands are principally valuable for the timber thereon, such sales to be so regulated as to conform to domestic wants and business requirements, while at the same time guarding against a sweeping destruction of the forests. The enactment of such a law appears to become a more pressing necessity every day.

My recommendations in former messages are renewed in favor of enlarging the facilities of the

DEPARTMENT OF AGRICULTURE.

Agriculture is the leading interest and the permanent industry of our people. It is the abundance of agricultural products, as compared with our home consumption, and the largely increased and highly profitable market abroad which we have enjoyed in recent years that we are mainly indebted for our present prosperity as a people. We must look for its continued maintenance to the same substantial resource. There is no branch of industry in which labor, directed by scientific knowledge, yields such increased production in comparison with unskilled labor, and no branch of the public service to which the encouragement of liberal appropriations can be so appropriately extended. The omission to render such aid is not a wise economy; but, on the contrary, undoubtedly results in losses of immense sums annually that might be saved through well-directed efforts by the government to promote this vital interest. The results already accomplished with the very limited means heretofore placed at the command of the department of agriculture are an earnest of what may be expected with increased appropriations for the several purposes indicated in the report of the commissioner, with a view of placing the department upon a footing which will enable it to prosecute more effectively the objects for which it is established.

Appropriations are needed for a more complete laboratory, for the establishment of a veterinary division, and a division of forestry, and for an increase of force.

The requirements for these and other purposes indicated in the report of the commissioner under the head of the immediate necessities of the department, will not involve any expenditure of money that the country cannot with propriety now undertake in the interests of agriculture.

It is gratifying to learn from the bureau of education the extent to which educational privileges throughout the United States have been advanced during the year. No more fundamental responsibility rests upon congress than that of devising appropriate measures of financial aid to education, supplemental to local action in the states and territories, and in the

DISTRICT OF COLUMBIA.

The wise forethought of the founders of our government has not only furnished the basis for the support of the common school systems of the newer states, but laid the foundation for the maintenance of their universities and colleges of agriculture and the mechanic arts. Measures in accordance with this traditional policy for the further benefit of all these interests, and the extension of the same advantages to every portion of the country, it is hoped will receive your favorable consideration.

To preserve and perpetuate the national literature should be among the foremost cares of the national legislature. The library gathered at the capitol still remains unprovided with any suitable accommodations, and its rapidly increasing stores, the magnitude and importance of the collection, increased as it is by the deposits made under the law of copyright, for domestic and foreign exchanges, and by the scientific library of the Smithsonian Institution, call for building accommodations which shall be at once adequate and fire-proof. The location of such a public building, which should provide for the pressing necessities of the present and for the vast increase of the nation's books in the future, is a matter which addresses itself to the discretion of congress. It is earnestly recommended as a measure which should unite all sagacities, and which should no longer be delayed.

The

JOINT COMMISSION

created by the act of congress of August 2nd, 1876, for the purpose of supervising and directing the completion of the Washington national monument, of which commission the president is now the chairman, has given careful attention to this subject, and already the strengthening of the foundation has so far progressed as to insure the entire success of this part of the national program. The monument has been introduced below the original foundation, widening the base, increasing the stability of the structure, and rendering it possible to carry the monument to its full height. I am, therefore, commending that such further appropriations be made for the continued prosecution of the work as may be necessary for the completion of this national monument at an early day.

In former messages, impressed with the importance of the subject, I have taken occasion to commend to congress the adoption of a generous policy towards the District of Columbia. The report of the commissioners of the district, herewith transmitted, contains suggestions and recommendations, to all of which I earnestly invite your careful attention. I ask your early and favorable consideration of the views which they express as to the urgent need of legislation for the redemption of the national debt, and the maintenance of its eastern branch within the limits of the city, and for the repair of streets of the capital, heretofore laid with wooden blocks, and now by decay rendered almost impassable, and a source of imminent danger to the health of its citizens. The means at the disposal of the commissioners are wholly inadequate for the accomplishment of these important works, and should be supplemented by timely appropriations from the federal treasury.

The filling of the flats in front of the city will add to the adjacent lands and works now owned by the United States a large and valuable domain, sufficient, it is thought, to reimburse its entire cost, and will also, as an incidental result, secure the permanent improvement of the river for the purpose of navigation.

The construction having invested congress with supreme and exclusive jurisdiction over the District of Columbia, its citizens must of necessity look to congress for all their legal rights, and affecting their interests, and as the territory of this district is the common property of the people of the United States, who equally with its resident citizens, are interested in the prosperity of their capital, I cannot doubt but that you will be amply sustained by the general voice of the country in any measures you may adopt for this purpose. I also invite the favorable consideration of congress to the wants of the

PUBLIC SCHOOLS

of this district, as exhibited in the report of the commissioners. While the number of pupils is rapidly increasing, no adequate provision exists for a cor-

responding increase of school accommodations, and the commissioners are without the means to meet this urgent want. A number of the buildings now used for school purposes are rented, and are, in important particulars, unsuited for the use of the public schools. The case of the District of Columbia is surely entitled to the same consideration at the hands of the national government as in the several states and territories, to which municipal grants of public lands have been made for this endowment of schools and universities.

RUTHERFORD B. HAYES.

Executive Mansion, Dec. 1, 1879.

Cuticura

REMEDIES.

The success attending the use of these great remedies in the treatment of affections of the skin and scalp with loss of hair is such that every part of the country comes the most grateful acknowledgments of what might be called "miraculous cures." Messrs. Weeks & Potter, the name of popular physicians, have spoken a good word for CUTICURA, CUTICURA SOAP and CUTICURA OINTMENT, and will thankfully receive reports of new cases wherever they occur.

SALT RHEUM ON BODY

And limbs. Obligated to Go Abroad on Crutches. Wonderful Cure. Messrs. Weeks & Potter: Gentlemen—In justice to those who may suffer as I have suffered, I beg to state my knowledge of the efficacy of CUTICURA. I voluntarily make the following statement: I have had Salt Rheum on my body and on one leg in a very aggravated form for eight years. No kind of treatment, or medicine, or doctors, during this time, did me any permanent good. My friends in Malden and elsewhere know that I have been a great sufferer, and that my condition at times has been such as to make me despair of ever being able to find a cure, or even a relief. In fact, when I began the use of CUTICURA, my limb was so raw and tender that I could not bear my weight on it without shrieking and bleeding, and was obliged to go on crutches. I commenced to use CUTICURA in April, and at once realized its beneficial effects. It gradually drew the inflammation and humor to the surface, causing burning heat, inflammation, swelling and itching, which, under the constant use of CUTICURA would rapidly subside and heal. Each time these outbreaks grew less and less severe and finally disappeared, leaving me perfectly cured. I used the CUTICURA five months and took the RESOLVENT most of that time. I was cured of a very strengthening and purifying medicine by taking it in such extreme cases. I have been cured of Salt Rheum, and to the system, because it is so weakening to the system.

Very gratefully yours,

MRS. S. A. BROWN.

Malden, Mass., Oct. 18, 1878.

Eczema of the Hands Cured.

Interesting Letter from a Well-Known Attorney.

Editor New Orleans Picayune: Sir—Since the fall of 1867, up to the last three weeks, I have been troubled with an eruption of the skin, which the doctors called Eczema, and which is generally known by the name of Eczema or Salt Rheum. The principal place of attack was my hands, which at times, especially during the winter time, were very sore.

At times the disease threatened to spread from my hands and envelop my whole body. Doctors have been consulted in Philadelphia, Washington, and New York, with no more success than a temporary relief. After considerable expense and much pain and suffering, I at last came to the conclusion that I would, as the saying goes, have to grin and bear it.

About four weeks ago I read in the Picayune the advertisement of Cuticura, for sale by our well-known druggist, Mr. L. V. Ross, and resolved to try it. I purchased a one-cent box, and before it was half used the disease had completely disappeared, and I feel certain that it is a permanent cure.

My object in sending you this letter is to thank you for the introduction of CUTICURA, and this benefit, if ever so little, suffering humanity. Yours truly,

Attorney and Counselor at Law.

38 Campbell Street, New Orleans, Dec. 25, 1878.

The CUTICURA REMEDIES are prepared by Messrs. Weeks & Potter, Chemists and Druggists, 25 N. 2nd Street, New Orleans, La. Price of Cuticura, small boxes 50 cents; large boxes, containing one and one-half times the quantity of small, \$1. Resolvent, \$1 per bottle. Cuticura Soap, 25 cents per cake; by mail, 30 cents; three cakes, 75 cents.

COLLINS'

Placed over the center of the nervous force of the human system, the pit of the stomach, and the liver, stomach, and bowels, perfect Digestion, and Dyspepsia, Bilious Colic, Cramps and Pains, and prevent Ague and Malarial Diseases. For Weak and Sore Throats, Palpitation of the Heart, Painful Kidneys, Rheumatism, Sciatica, and Scalding, they are the best remedy in the world. Get the genuine. Wm. Collins, New York.

James Fox,

Wholesale Dealer in

Anthracite, Hocking Valley and Bituminous

COAL.

Also agent for the celebrated

Piedmont Blacksmith Coal,

the best in the world.

Western agent for Boyd, Stacey & Co.,

Yard, corner Clinton and Railroad Sts.,

Down town office, 77 Calhoun street.

L. O. HULL,

HOUSE AND SIGN

PAINTING,

Graining, Glazing, Kalsomining, Plain

and Decorative Paper Hanging, &c.

Estimates for Work Furnished on Application

89 CALHOUN STREET.

WANTED.
WANTED—A few good collectors
city and country. Call at Myer's
for R. P. N. 10

WANTED.
WANTED—A good plot for general
housework, at the City Hospital.
11,13

**TO
FURNITURE
DEALERS
AT**

**KENDALLVILLE,
HUNTINGTON,
WARSAW,
DECATUR,
BLUFFTON,
AUBURN,
REYNOLDS,**

**HARTFORD CITY,
COLUMBIA CITY,
VAN WERT,
LAURANCE,
STURGIS,
ANGOLA.**

And other towns of northern Indiana

Last spring we added to our immense Dry Goods and Carpet establishment a mammoth stock of fine medium and cheap Furniture, selected with great care and bought with cash from only the BEST manufacturers of the country.

As we did not increase our business expenses a single cent by adding our Furniture Department, it follows that we could sell Furniture almost at cost, and yet make money; as every dollar of profit was so much clear gain.

At first we designed only selling Furniture at retail, but so much below usual rates did we buy our goods and at such small profits did we sell them, Furniture dealers in surrounding towns soon found that their retail prices were less than they were paying at wholesale, and they were therefore desirous of purchasing of us.

We have completed arrangements by which we can now accommodate such dealers.

We pride ourselves that we have the finest line of Office, Parlor, Sitting Room, Dining Room, Bed Room and Kitchen Furniture ever exhibited in the state.

We continue to pay all freight charges upon furniture bought of us, that does not go to any place exceeding 150 miles from Fort Wayne.

Our mammoth store in every department is crowded full of Holiday Goods.

FOSTER BROS.,
1 & 13 Court St., Fort Wayne, Ind.

Strictly One Price Dealers in Dry Goods, Carpets, Furniture and House-keeping Goods of almost every kind.

WANTED

500,000 feet 21 growth Hickory Butts.
100,000 feet Hickory Logs.
200,000 feet Elm Butts.
2,000 Forest Hickory Spokes.
100,000 Forest Oak Hickory Spokes.
100,000 22 Growth Oak Spokes.
or which the following CASH prices will be paid.

22 GROWTH HICKORY.

Spokes in diameter at top,	as per length at
" " " 4 1/2	50 "
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